## SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT

**BOARD OF EDUCATION** 

COUNTY OF ESSEX
MAPLEWOOD, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2017

# SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT COUNTY OF ESSEX, NEW JERSEY

# COMPREHENSIVE ANNUAL FINANCIAL REPORT JUNE 30, 2017

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# **INTRODUCTORY SECTION**

#### BOARD OF EDUCATION

#### The School District of South Orange and Maplewood 525 Academy Street Maplewood, NJ 07040

November 30, 2017

Honorable President and Members of the Board of Education South Orange and Maplewood School District South Orange and Maplewood, New Jersey

Dear Board Members,

The comprehensive annual financial report of the South Orange and Maplewood School District (District) for the fiscal year ended June 30, 2017, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds and account groups of the district. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes management's discussion and analysis (MD&A), the general—purpose financial statements and schedules, as well as the auditor's report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of The Single Audit Act of 1984 and the Title 2 US Code of Federal Regulations Part 200, Uniform administrative Requirements, Cost Principals and Audit Requirements for Federal Awards (the "Uniform Guidance") and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments". Information related to this single audit, including the Auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

#### 1. REPORTING ENTITY AND ITS SERVICES

The School District of South Orange and Maplewood is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The South Orange and Maplewood Board of Education and all of its schools constitute the District's reporting entity. As a reporting entity, the District exercises oversight for all activities related to public education in the two municipalities. The School District of South Orange & Maplewood did not arise from a consolidation of two districts, but simply remained one in spite of the division in 1904 into two municipalities of the old township of South Orange, which from 1863 comprised the territory now occupied by the school district. The District is governed by a nine-member Board of Education elected to serve alternating three-year terms.

#### 2. INTERNAL ACCOUNTING CONTROLS

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

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

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

#### 3. 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 Board of School Estimate. Annual appropriated budgets are adopted for the general fund (Fund 10), the special revenue fund (Fund 20) and the debt service fund (Fund 40). Project-length budgets are approved for capital improvements accounted for in the capital projects fund (Fund 30). The final budget amount as amended for the fiscal year us reflected in the financial section.

An encumbrance accounting system us used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either canceled or are included as a reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance on June 30, 2017.

#### 4. ACCOUNTING SYSTEM AND REPORTS

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

#### 5. INDEPENDENT AUDIT

State statutes requires an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Hodulik & Morrison, PA., was selected by the Board to perform the fiscal year 2016 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designated to meet the requirements of the Single Audit Act of 1984 and the related Uniform Guidance and state Treasury Circular Letter 15-08 OMB. 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 related specifically to the single audit are included in the single audit section of this report.

#### 6. ACKNOWLEDGMENTS

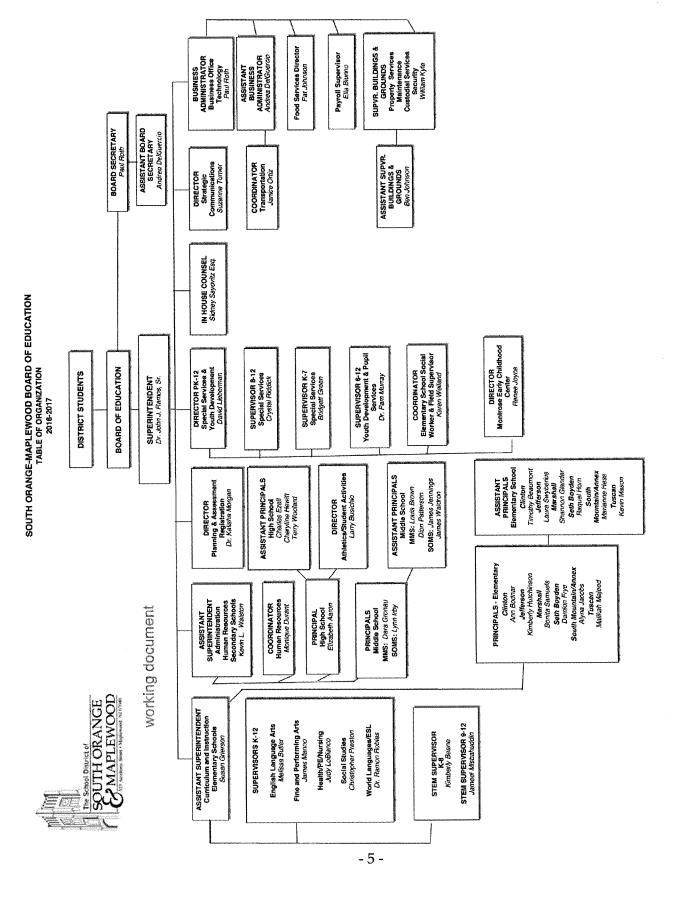
We would like to express our appreciation to the members of the South Orange and Maplewood Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operations. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

Dr. Thomas Ficarra Interim Superintendent

Paul Roth Board Secretary and

School Business Administrator



#### **ROSTER OF OFFICIALS**

#### JUNE 30, 2017

Members of the Board of Education	Term Expires
Ms. Elizabeth Baker, President	2017
Mr. Chris Sabin, 1 <sup>st</sup> Vice-President	2018
Ms. Madhu Pai, 2 <sup>nd</sup> Vice-President	2018
Ms. Susie Adamson	2019
Mrs. Stephanie Lawson-Muhammad	2019
Ms. Maureen Jones	2017
Ms. Annemarie Maini	2018
Ms. Donna Smith	2017
Mrs. Johanna Wright	2019

#### Members of the Board of School Estimate

Maplewood:

Victor DeLuca, Mayor

Greg Lembrich Frank McGehee

India R. Larrier (Alternate)

South Orange:

Sheena Collum, Village President

**Howard Levison** 

Karen Hartshorn Hilton Walter Clarke (Alternate)

#### Other Officials:

Mr. John Ramos, Superintendent of Schools

Mr. Paul Roth, Board Secretary/School Business Administrator

Mrs. Dana Sullivan, Treasurer of School Monies

Ms. Susan Grierson, Assistant Superintendent – Curriculum and Instruction

Mr. Sidney Sayovitz, In-House Counsel

Mr. Kevin Walston, Assistant Superintendent for Administration

#### BOARD OF EDUCTION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD MAPLEWOOD, NEW JERSEY

#### **Consultants and Advisors**

#### **Architect**

Ei Associates Cedar Knolls, New Jersey

#### Attorney

Schenck, Price, Smith King, L.L.P. Morristown, New Jersey

#### **Audit Firm**

Hodulik & Morrison. P.A. Highland Park, New Jersey

#### **Bond Counsel**

Chiesa, Shaninian & Giantomasi, PC West Orange, New Jersey

#### **Official Depository**

Bank of America Maplewood Main Maplewood, New Jersey

#### **Fiscal Agent**

Bank of America Maplewood Main Maplewood, New Jersey

#### **Financial Advisors**

Phoenix Advisors, LLC Bordentown, NJ

# FINANCIAL SECTION

#### HODULIK & MORRISON, P.A.

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
1102 RARITAN AVENUE, P.O. BOX 1450
HIGHLAND PARK, NJ 08904
(732) 393-1000
(732) 393-1196 (FAX)

ANDREW G. HODULIK, CPA, RMA, PSA ROBERT S. MORRISON, CPA, RMA, PSA MEMBERS OF:
AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

#### **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members of the Board of Education School District of South Orange and Maplewood Maplewood, New Jersey

#### REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the School District of South Orange and Maplewood, in the County of Essex, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the district's basic financial statements as listed in the table of contents.

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

#### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 these 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 our 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 School District of South Orange and Maplewood, in the County of Essex, State of New Jersey, as of June 30, 2017 and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity 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, including the Notes thereto, and pension plan information, including the Notes thereto, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 School District of South Orange and Maplewood's basic financial statements as a whole. The accompanying other supplementary information, consisting of the combing and individual fund financial statements, and long-term debt schedules, the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the schedule of state financial assistance, required by New Jersey OMB Circular 15-08, and the other information, including the introductory section and the statistical section, as listed in the table of contents, are presented for purpose of additional analysis and are not a required part of the financial statements.

The combing and individual fund financial statements, long-term debt schedules, schedule of expenditures of federal awards, and the schedule of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 combing and individual fund financial statements, long-term debt schedules, the schedules of expenditures of federal awards, and the schedule of state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

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

#### OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with Government Auditing Standards, we have also issued our report dated November 30, 2017 on our consideration of the School District of South Orange and Maplewood's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with Government Auditing Standards in considering the School District of South Orange and Maplewood's internal control over financial reporting and compliance.

HODULIK & MORRISON, P.A. Certified Public Accountants

Indulik : Marisin. P.A.

Public School Accountants

Robert S. Morrison

Public School Accountant

PSA # 871

Highland Park, New Jersey November 30, 2017

# REQUIRED SUPPLEMENTARY INFORMATION

## PART I

#### Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2017

(UNAUDITED)

This section of South Orange and Maplewood School District's annual financial report presents a discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2017. It is intended to review the School District's financial activities so that, when read in conjunction with the transmittal letter at the front of this report and the District's financial statements immediately following this section, the reader will have an enhanced understanding of the District's financial performance.

#### FINANCIAL HIGHLIGHTS

The District's financial status remained strong despite external economic forces on the district.

- Total net financial position of the district's governmental and business-type activities increased by \$2,106,306 to \$17,481,880 as of June 30, 2017, an increase of 13.70% from 2016. Favorable budget variances were more than sufficient to replenish the budgeted use of net financial position. State aid, exclusive of "Onbehalf" contributions required by the State constitution, remained at prior year levels during the year, requiring a 2.37% increase in the tax levy to support expected increases in costs. Table A-1 below details the changes in net position.
- Management of spending resulted in maintaining a General Fund balance of \$10,550,708, an increase of \$1,089,216 or 11.51%. The District was able to allocate \$1,768,105 to the Capital Reserve Account and \$1,000,000 to the Maintenance Reserve Account to reduce its reliance on external financing for infrastructure maintenance while still designating almost \$2.4 million for tax relief in the 2018-19 budget cycle.
- The unrestricted governmental activities net position as of June 30, 2017 was a deficit of \$19,763,888, an increase of \$1,4785,880 from amounts reported in the previous year. This change is primarily attributable to an increase of \$\$1.7 million in the net pension liability attributed to the District for employees enrolled in the NJ Public Employees Retirement System. General Fund unassigned fund balance at June 30, 2017 was \$1,021,228 (Exhibit B-1). This amount is equal to 0.79% of 2016-17 expenditures. Board policy considers the maintenance of a minimum of 3% fund balance to be prudent. The amount of unreserved funds is below board policy due to the NJDOE requirement that an amount in excess of 2% must be legally restricted as surplus for appropriation in the budget for subsequent years. A total of \$4,778,676 has been legally reserved for that purpose. The NJDOE includes state aid in the amount of \$1,922,473 in the calculation of budgetary basis surplus even though the funds were not appropriated by the State on June 30, 2017 and receipt was deferred until after June 30, 2017. Generally accepted accounting principles preclude the recognition of these funds, and they are not reflected in the fund balance as presented in the financial statements on June 30, 2017.

- An appropriation of \$1,900,000 was made from the Capital Reserve Fund during the 2016-17 school year. The Board approved the replenishment of \$1,768,105 to this fund based upon projected 2016-2017 operating results. The Capital Reserve Fund balance as of June 30, 2017 was \$1,845,184. The Board also approved the establishment of a Maintenance Reserve, in the amount of \$1,000,000, as of June 30, 2017.
- General revenues and operating grants totaled \$139,017,793, an increase of \$2.77 million from the prior year. The increased revenues consist primarily of increases in the tax levy (\$2.73 million). State "On-behalf" contributions for TPAF member employee benefits increased by (\$1.94 million), and were offset by dercreases in School Development Authority grant payments for capital projects (\$911,739) Table A-2 provides comparative revenue and expense data. For the current and prior year. Governmental activities expenses increased by \$3.96 million, with the costs of tuition, special education, and benefits as the primary drivers of this increase. There was an increase of \$1,995,566 in net position for governmental activities for the year. Exhibit B-3 provides a crosswalk of the changes in fund balances of the Governmental Funds (Exhibit B-2) to the change in net position of the governmental activities (Exhibit A-2).
- The total cost of basic programs was \$137,062,227. The portion of costs paid for with charges, fees and intergovernmental aid was \$21,683,549. The *net* cost that required taxpayer funding was \$115,378,678, up \$3.6 million from the previous school year. Out of District tuition costs and fringe benefit obligations were the two primary drivers behind the increase.
- The total net position of the food service, the District's primary business-type activity, increased \$107,177. Revenues of \$2,167,497 were \$97,783 more than in 2016. The District added a Latchkey Program during the 2016-17 school year. Revenues of \$265,254 exceeded expenses of \$221,691, resulting in a net position of \$43,563 at year-end.
- Expenses for food service activity decreased to \$2,060,320 compared to \$2,166,949 in 2016. The food service activity remains self-sustaining. Lunch participation and revenues remain high due to the high quality of the award-winning nutritional program. Profits are used to make program improvements.
- Additional outlays for new capital assets totaled \$1,629,470 during the year.
   Several projects were completed and the construction phase began for several others.
- The District made payments to reduce its outstanding long-term debt by \$2,670,000. The net bonded school debt as of June 30, 2017 was \$37,493,000, well below the statutory limit.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations *in more detail* than the district-wide statements.
- The governmental funds statements tell how basic services like regular and special education were financed in the short term as well as indicates remaining assets reserved for specific purposes and unreserved assets that establish a contingency for extraordinary unforeseen expenditures.
- Proprietary funds statements offer short- and long-term financial information about the activities the District operates like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the financial statements with a comparison of the District's budget for the year.

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

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

The two district-wide statements report the District's net position and how they have changed. Net position – the difference between the District's assets and liabilities – are one way to measure the District's financial health or *financial position*.

- Over time, increases or decreases in the District's net position may be an indicator of whether its financial condition is improving or deteriorating, respectively.
- To assess the overall health of the District, additional non-financial factors need to be considered such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements, the District's activities are divided into two categories:

- Governmental activities Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Local property taxes and state formula aid finance most of these activities.
- Business-type activities The District charges fees to help it cover the costs of certain services it provides. The District's food services operation is included here.

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending or particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage for particular purposes (like repaying its long-term debts) or to show that it is properly using certain revenues (like state and federal grants).

The District has three kinds of funds:

- Governmental funds Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available as a contingency. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information is provided with the governmental funds statement that explains the relationship (or differences) between them.
- Proprietary funds Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
- Fiduciary funds The District is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. These activities are excluded from the district-wide financial statements because the District cannot use these assets to finance its operations.

#### FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The Statement of Net Position [Exhibit A-1] provides the perspective of the School District as a whole. Table A-1 provides a comparison of the School District's combined net position as of June 30, 2017 and 2016.

Table A-1
Net Position
(in thousands of dollars)

	Govern Activ		Busines Activ			District otal	Percentage Change
	2016	2017	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016-17</u>
Current and Other							
Assets:	15,245	18,837	620	1,013	15,865	19,850	25.12%
Capital Assets	61,258	59,794	<u> 179</u>	139	61,437	59,933	-2.45%
Total Assets	76,503	78,631	799	1,152	77,302	79,783	3.21%
Deferred Outflows of							
Resources:	5,113	9,553			5,113	9,553	86.84%
Total Deferred	£ 112	0.552			5 112	0.552	07.0407
Outflows	5,113	9,553			5,113	9,553	86.84%
Long-Term Debt							
Outstanding	59,551	63,073			59,551	63,073	5.91%
Other Liabilities	6,859	8,299	107	309	6,966	8,608	23.57%
Total Liabilities	66,410	71,372	107	309	66,517	71,681	7.76%
Deferred Inflows of							
Resources	523	174			523	174	-66.73%
Total Deferred	502	174			500	174	CC 720/
Inflows	523	174			523	174	-66.73%
Net Position: Net Investment in							
Capital Assets	21,095	22,301	179	139	21,275	22,440	5.48%
Restricted	11,876	14,101			11,876	14,101	18.73%
Unrestricted	(18,288)	(19,764)	513	704	(17,775)	(19,060)	7.23%
Total Net Position	14,683	16,638	692	843	15,376	17,481	13.69%

#### **Net Position**

The District's total combined net position increased on June 30, 2017 over the prior year by 13.70% to \$117,481,880. (See Table A-1) Of the total, \$16,638,722 is attributable to the District's Governmental Activities. The net position of the District's business-type activities was \$843,158.

Table A-2 presents a comparison of the changes in net position from the prior year.

Table A-2
Changes in Net Position
(in thousands of dollars)

		nmental vities	Busines Activ		School To	Percent Change	
Revenues	2016	2017	2016	2017	2016	2017	2016-17
D D							
Program Revenues: Charges for Services			1 202	1 (40	1 202	1 (40	20 550/
	21 242	21.604	1,282 788	1,648	1,282	1,648	28.55%
Operating Grants and Contributions	21,342	21,684	/88	784	22,130	22,468	1.53%
General Revenues:	110.000	11# #60			110.000	115.50	2 422/
Property Taxes	112,823	115,560			112,823	115,560	2.43%
Federal and State Aid not Restricted	1,590	903			1,590	903	-43.21%
Tuition	400	300			400	300	N/A
Other General Revenues	490	571	2.050		490	571	16.53%
Total Revenues	136,245	139,018		2,432	138,315	141,450	22.67%
Program Expenses Including							
Indirect Expenses							
Instruction:							
Regular	36,507	35,264			36,507	35,264	-3.41%
Special Education	12,162	13,273			12,162	13,273	91.35%
Other Instruction	2,989	2,917			2,989	2,917	-2.41%
Support Services:							
Tuition	10,984	12,442			10,984	12,442	13.27%
Student & Instruction Related							4.000/
Services	12,885	12,266			12,885	12,266	-4.80%
School Administration Services	5,026	4,882			5,026	4,882	-2.87%
General Administration Services	3,425	3,771			3,425	3,771	10.10%
Plant Operation and Maintenance	11,977	13,669			11,977	13,669	14.13%
Pupil Transportation	5,129	5,229			5,129	5,229	1.95%
Unallocated Benefits	27,832	29,249			27,832	29,249	5.09%
Special Schools	333	264			333	264	-20.72%
Interest on Long-Term Debt	1,179	1,088			1,179	1,088	-7.72%
Bond Issue Costs							
Unallocated Depreciation &							
Amortization	2,677	2,748			2,677	2,748	2.65%
Business-Type Activity:							
Latchkey Program				222		222	N/A
Food Services			2,167	2,060	2,167	2,060	-4.94%
Total Expenses	133,105	137,062	2,167	2,282	135,272	139,344	3.01%
Increase (Decrease) in Net Position	3,140	1,955	(97)	151	3,043	2,106	-30.79%

#### **Changes in Net Position**

The District's total combined revenues for 2016-2017 were \$139,802,100, an increase of 1.1%. Local property taxes and state aid, including \$13.4 million of "In-Kind" aid for T.P.A.F employees, accounted for most of the District's revenue. Local property taxes contributed about 83.1 cents of every dollar raised, which was slightly increased from the previous year, while State and Federal aid accounted for about 1.6 cents, which was also an increase from previous year. (See Table A-2.) Revenues from sources other than taxes and State and Federal Aid accounted for less than 1.0% of revenues for the year.

#### Changes in Net Position (Cont'd,)

The total cost of all programs and services was \$139,344,238, an increase of 3.0%. The District's expenses are predominantly related to educating and caring for students. The purely administrative activities of the District accounted for just 6.2% of total costs and continue to decline as a percentage of spending. Efficiencies implemented to control costs in the areas of pupil transportation and operations resulted in reductions in these areas providing resources to be focused on instructional areas.

#### **Governmental Activities**

The Statement of Activities [Exhibit A-2] shows the cost of program services and the charges for services and grants offsetting those services.

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through 12. These include regular and vocational, as well as special education programs. The District is currently operating one senior high school, Columbia High School (grades 9-12); two middle schools: Maplewood Middle School (grades 6-8) and South Orange Middle School (grades 6-8); and six elementary schools: Clinton (grades PK-5), Marshall (grades PK-2), Jefferson (grades PK, 3-5), Seth Boyden (grades K-5), South Mountain and Annex (grades K-5), and Tuscan (grades K-5).

Special education programs are offered for classified students in the areas of learning and or language disabled, multiply disabled, autism, and pre-school disabled. Additionally, services are provided in resource rooms, speech, occupational and physical therapy.

Table A-3 presents the costs of six major District activities: instruction-related; support services, tuition, student & instructional related services, business and other support services; school, general and business administration; student transportation, operations and maintenance of facilities; and, other expenses. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs.) The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions together with the unrestricted aid burden on the state and federal governments.

Table A-3
Net Cost of Governmental Activities
(in thousands of dollars)

	Total	Cost	Percent	Net	Cost	Percent
	of Ser	vices	Change	of Ser	vices	Change
Governmental Activities	<u>2016</u>	<u>2017</u>		<u>2016</u>	2017	
Instruction Related	51,658	51,454	-0.4%	44,132	44,617	1.1%
Support Services	52,034	54,221	4.20%	39,166	40,281	2.85%
School, General & Business						
Administration	8,451	8,653	2.39%	8,451	8,653	2.39%
Pupil Transportation	5,129	5,229	1.95%	4,775	4,817	0.88%
Operations and			14.14			
Maintenance of Facilities	11,976	13,669	%	11,814	13,483	14.13%
Other (Depreciation,						
Interest & Bond Issue)	3,857	3,836_	-0.55%	3,425	3,528	3.01%
Total Expenses	133,105	137,062	2.97%	111,763	115,379	3.23%

#### Governmental Activities (Cont'd.)

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

Student services and instructional related services include the activities involved with assisting staff with the content and process of teaching to students, as well as tuition, counseling, speech and other similar related services.

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

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

Operation and maintenance of facilities activities involved with keeping the physical plant open, comfortable and safe for use, and keeping the school grounds, buildings and equipment in effective working order. Included are costs for security, heating, lighting, ventilating, repairing, and replacing facilities, furniture and equipment, garbage disposal, custodial services, property insurance, vehicle maintenance, energy and utility services.

Other includes interest and fiscal charges involving transactions associated with the payment of interest and other charges related to debt of the school district.

The cost of all governmental activities during the 2016-17 school year was \$137,062,227.

- None of the cost was financed by the users of the District's programs.
- The federal and state governments subsidized certain programs with grants and contributions totaling \$22,463,031. Included in this total were \$5,399,121 of state and federal aid provided to finance general fund operating expenses and \$13,387,888 provided for TPAF pension and social security on-behalf of the district.
- The majority of the District's costs for governmental activities were financed by District local taxpayers. This portion of governmental activities was financed with \$115,560,374 in property taxes. The District has been forced to look to its taxpayers to fund the increasing costs of education, as state aid has at best been stagnate during the last decade. As a result, the percentage of the budget funded by property taxes has continued to increase. During 2016-2017, the percentage of actual costs funded by the property tax continued to exceed 90%.

#### **Business-type Activities**

Revenues of the District's business-type activities, including food service and the new latchkey program, were \$2,432,751, and expenses were \$2,282,011. The net position of our primary business-type activity, food service, increased \$107,177.

Factors contributing to these results included:

- Participation in the food service program continued to increase as a result of the award-winning nutritional program. The profitability of the food service program will permit additional capital outlays to support the food service program in 2017-2018.
- The popular breakfast program was continued for students at Seth Boyden, Clinton, Maplewood Middle School, and South Orange Middle School as well as Columbia High School.

#### FINANACIAL ANALYSIS OF THE DISTRICT'S FUNDS

The strong financial performance of the District as a whole is reflected in its governmental fund balances as well. As the District completed the year, its governmental funds reported combined fund balances of \$15,116,596.

The General Fund balance was \$10,550,708, an increase of \$1,089,216 from June 30, 2016. The district utilized \$6.0 million of fund balance to fund 2016-2017 operations, and favorable budgetary variances resulted in a full recoupment of those amounts at June 30, 2017. \$4.29 million of fund balance is included to fund the 2017-18 budget, and \$2.4 million is pledged to tax relief in the 2018-19 budget.

The fund balance of \$4,571,828 in the Capital Projects Fund is for planned capital improvements that are underway or in development. This was up from the \$3,385,129 at June 30, 2016 due to the funding of \$1.9 million transferred from capital reserve but unspent at year-end. During the year, \$518,337 of SDA grant funding was received. Additional construction grant funding from the state has been approved for ongoing projects which will cover 40% of eligible costs.

As mentioned, the business-type activities, particularly food services, also did well financially. In addition to the district-wide financial statements, food service operations are reported in greater detail in the enterprise funds statements.

#### **General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget several times. These budget amendments consisted solely of transfers to prevent budget overruns, and no additional appropriations to cover unexpected costs or responses to systemic breakdowns or extreme weather conditions were required in 2016-2017.

There were no appropriations from the General Fund unreserved fund balance for any purpose during the year.

- Actual General Fund revenues were \$131,553,697 and higher than expected, due largely to unanticipated additional state aid in the form of "On-behalf" contributions. Revenues do not include \$1,922,473 in state aid that was not appropriated by the state (and therefore not recognized) until after June 30, 2017 and the end of the 2016-17 fiscal year.
- Actual General Fund expenditures were \$6,322,277, below budget, due primarily to management measures to control spending. Health benefit cost increases were less than anticipated, and were responsible for \$2.1million of this favorable variance. Stable energy costs contributed close to \$1 million of this variance.
- Reservations to the General Fund balance include: \$1,905,619 reserve for encumbrances remaining open at June 30 to be paid in the subsequent year; \$2,389,338 excess surplus legally restricted for subsequent year expenditures (appropriated in the 2017-2018 school budget); \$2,389,338 excess surplus to be appropriated in the 2018-2019 school budget, \$1,845,184 in a capital reserve and \$1,000,000 in a maintenance reserve..
- The unrestricted fund balance as of June 30, 2017 using a budgetary basis of accounting was \$2,943,701. Less the last state aid payment not recognized on GAAP basis, the net unreserved General Fund balance as of June 30, 2017 was \$1,021,228. This amount was equal to 0.79% of 2016-17 general fund expenditures. Board Policy considers the maintenance of a minimum of 3% fund balance to be prudent. The amount of unreserved funds is below Board policy due to the NJDOE requirement that an amount in excess of 2% must be reserved as surplus for appropriation in the budget for the subsequent year. A total of \$4,778,676 has been legally reserved for that purpose. The unrestricted balance is less than 2% because the NJDOE includes the final state aid payment of \$1,922,473 in the calculation of surplus even though receipt was deferred until after June 30 and therefore is not reflected in the fund balance on June 30, 2017.

#### CAPITAL ASSET AND DEBT ADMINISTRATION

#### **Capital Assets**

By the end of FY2017, the District had invested \$1,629,470 in a broad range of capital assets, including school buildings, athletic facilities, computer and audiovisual equipment, and administrative offices. (More detailed information about capital assets can be found in Note 3 to the financial statements and the supplemental information relating to capital projects.)

#### Capital Assets (Cont'd.)

Capital projects expenditures continued for renovations and improvements to all of the school buildings in the district, with significant work on window replacements at Tuscan Elementary School. Restroom replacement at Clinton Elementary School and electrical upgrades at Jefferson Elementary School. Building capital projects varied among schools depending upon need. The kinds of improvements included upgrades to interior, roof replacements, installation of carpeting, plumbing, electrical and mechanical upgrades. These projects were identified in the district's Long Range Facilities Maintenance Plan.

\$1.900,000 was authorized in 2016-17 for electrical upgrades to the Seth Boyden Elementary School. This was funded with entirely with previously reserved funds. However, the Board took actions to preserve its ability to seek school construction aid funding at a later date if the state authorizes additional program funding in the future.

Funding for these projects was budgeted and/or authorized by the Board of School Estimate and obtained through the sale of bonds and the assumption of low-interest, long-term loans as described in the Debt Administration section.

#### **Long-term Debt**

At year-end, the District had a decrease in outstanding debt to \$2,670,000 in general obligation bonds and other long-term debt outstanding, resulting from the issuance. (More detailed information about the District's long-term liabilities is presented in Note 4 to the financial statements.)

• The District continued to pay down its debt, retiring \$2,673,000 of outstanding debt.

New Jersey statutes limit the amount of general obligation debt the District can issue an amount not to exceed 4 percent of the assessed value of all taxable property within the District's corporate limits. South Orange and Maplewood's outstanding debt is significantly below this school borrowing margin, which is currently calculated to be \$240,531,311.

#### FACTORS BEARING ON THE DISTRICT'S FUTURE

The School District of South Orange and Maplewood is currently in good financial condition. The two townships making up the school district are residential communities with very few non-housing ratables. As a result, the burden of financing the schools is focused primarily on the homeowners. The residents of the communities play an active role in the school system and have expressed a strong commitment to maintaining excellence in their schools. The entire community enjoys a sense of pride in the accomplishments of the school district.

#### FACTORS BEARING ON THE DISTRICT'S FUTURE (CONT'D.)

At the time these financial statements were prepared and audited, the District was aware of three existing circumstances that could significantly impact its financial health in the future:

- The District is in the process of revising its Long-Range Facilities Plan, and significant costs are anticipated in coming years to maintain the quality of District's buildings and grounds.
- Increasing state mandates such as PARCC exams and teacher evaluation requirements continue to increase financial demands on the District. These mandates create additional expenses in both equipment and in staffing needs. It is not possible at this time to predict the total fiscal impact of the mandates in state and federal educational reform movements. The fiscal impact of the federal Affordable Care Act is also difficult to predict but will at a minimum impact future staffing and health care provision decisions.
- The district enrollment has been steadily increasing since 2012 for an increase of more than 5% in the past five years. Current projections suggest a levelling off of total enrollments going forward. However, should future enrollments vary from current expectations, there may be a need to consider additional educational space.

The following table presents the historical pupil enrollments on October 15 over the last five years and the projected enrollments for the next five years including special education students.

#### Historical Pupil Enrollment Last Five Fiscal Years

As of	Elementary	%	Middle	%	High School	%	Special	%	Total	%
Oct 15,	(K-5)	Change	(6-8)	Change	(9-12)	Change	Education	Change	Enrolled	Change
2012	3,216	2%	1,438	1.6%	1,847	0.7%	124	-4%	6,625	1.4%
2013	3,238	0.6%	1,557	8.3%	1,832	-0.8%	133	7.3%	6,760	2.0%
2014	3,253	0.5%	1,587	1.9%	1,898	3.6%	129	-3.0%	6,867	1.6%
2015	3,245	-0.2%	1,590	0.2%	1,917	1.0%	128	-0.8%	6,880	0.2%
2016	3,323	2.4%	1,562	-1.8%	1,903	-0.7%	63	-50.8	6,851	-0.4%

Source: District Reports

#### Projected Pupil Enrollment Next Five Fiscal Years

As of Oct 15,	Elementary (K-5)	% Change	Middle (6-8)	% Change	High School (9-12)	% Change	Special Education	% Change	Total Enrolled	% Change
2017	3,308	-0.5%	1,556	-0.4%	1,999	5%	67	6.3%	6,930	1.1%
2018	3,282	-0.8%	1,605	3.1%	1,959	2%	67	0%	6,913	-0.3%
2019	3,236	-1.4%	1,637	2%	1,999	2%	67	0%	6,939	0.4%
2020	3,175	-1.9%	1,652	0.9%	1,990	-0.5%	66	-1.5%	6,883	-0.8%
2021	3,107	-2.1%	1,657	0.3%	2,027	1.86%	66	0%	6,858	-0.4%

Source: District Reports: Whitehall Associates, Inc. 03/07/16

#### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

In conclusion, the South Orange and Maplewood School District is committed to prudent fiscal management and financial excellence. The School District's system for financial planning, budgeting and internal financial controls is well regarded. The School District is well positioned to continue its sound fiscal management to meet the challenges of the future.

This financial report is intended to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions about this report or requests for additional financial information about the District should be directed to Paul Roth, School Business Administrator and Board Secretary at the Office of the Business Administrator, South Orange and Maplewood School District, 525 Academy Street, Maplewood, NJ 07040 or e-mail proth@somsd.k12.nj.us.

## **BASIC FINANCIAL STATEMENTS**

# DISTRICT-WIDE FINANCIAL STATEMENTS SECTION – A

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD STATEMENT OF NET POSITION JUNE 30, 2017

GOVERNMENTAL BUSINESS-TYPE

	GC	OVERNMENTAL B		
		<u>ACTIVITIES</u>	ACTIVITIES _	TOTAL
<u>ASSETS</u>				
Cash and Cash Equivalents	\$	13,826,305.47 \$	916,893.69 \$	14,743,199.16
Receivables, Net		4,932,971.85	86,332.51	5,019,304.36
Inventory		-	9,637.19	9,637.19
Restricted Assets:		-		
Restricted Cash and Cash Equivalents		77,406.00		77,406.00
Capital Assets, (Note 3):		59,794,302.27	138,830.35	59,933,132.62
Total Assets		78,630,985.59	1,151,693.74	79,782,679.33
DEFERRED OUTFLOWS OF RESOURCES		# <b>2</b> 04 022 00		5 207 022 00
Change in Pension Assumptions		5,286,032.00		5,286,032.00
Change in Pension Experience		474,563.00		474,563.00
Change in Pension Earnings		973,037.00		
Change in Pension Proportion		364,791.00		
Pension Payment Subsequent to Measurement Date		824,611.00		824,611.00
Deferred Amount on Refinancing		1,629,625.27		1,629,625.27
Total Deferred Outflows of Resources		9,552,659.27		8,214,831.27
<u>LIABILITIES</u>				
Accounts Payable		3,903,973.78	159,412.05	4,063,385.83
Accrued Interest Payable		521,084.04		521,084.04
Interfund Payable		-		<del>-</del>
Accrued Liabilities		226,771.94		226,771.94
Payable to State Government		61,725.58	-	61,725.58
Advances from Grantors		398,080.73		398,080.73
Unearned Revenue		-	149,124.07	149,124.07
Noncurrent Liabilities (Note 4):		-		
Due Within One Year		3,187,070.30		3,187,070.30
Due Beyond One Year		37,151,470.31		37,151,470.31
Net Pension Liability		25,921,233.00		25,921,233.00
Total liabilities		71,371,409.68	308,536.12	71,679,945.80
	_			
DEFERRED INFLOWS OF RESOURCES				_
Pension Earnings		172 512 00		173,513.00_
Change in Pension Proportion		173,513.00		
Total Deferred Outflows of Resources		173,513.00	-	173,513.00
<b>NET POSITION</b>				
Investment in capital assets, net of related debt		22,301,302.27	138,830.35	22,440,132.62
Restricted for:		-		
Capital Projects		4,571,828.12		4,571,828.12
Other Purposes		9,529,479.80		9,529,479.80
Unrestricted (Deficit)		(19,763,888.01)	704,327.27	(19,059,560.74)
, ,	_			
Total Net Position	\$ _	16,638,722.18 \$	843,157.62 \$	17,481,879.80

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

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2017

		Na Wear and W	מונה מנונה מות	NET (EXI	NET (EXPENSE) REVENUE AND	E AND
		PROGRAM REVENUES	REVENUES	CHAN	CHANGE IN NET ASSETS	ETS
		CHARGES FOR	OPERATING GRANTS AND	GOVERNMENTAL BUSINESS-TYPE	USINESS-TYPE	1
Functions/Programs	EXPENSES	SERVICES	CONTRIBUTIONS	ACTIVITIES	ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:		E	6	\$ 125 764 145 57)	•	(25 241 45 52)
Regular	\$ 35,264,145.52				•	
Special Education	13,273,108.91	•	6,837,310.08	(0,433,798.23)	•	(0,455,76.25)
Other Special Instruction	1,768,947.85	•		(1,/08,94/.85)	•	(1,700,947.02)
Other Instruction	1,148,001.95	•		(1,148,001.95)		(1,140,001.52)
Support Services:				(00 E) 1 CF7 CF3		(10 440 167 20)
Tuition	12,442,167.39	•	;	(12,442,167.39)	•	(12,442,107.39)
Student & Instruction Related Services	12,266,152.72	•	541,630.62	(11,724,522.10)	•	(11,74,522.10)
School Administrative Services	4,882,038.18	•		(4,882,038.18)		(4,882,038.18)
General and Business Administrative Services	3,771,286.20	•		(3,771,286.20)	•	(3,771,286.20)
Plant Operations and Maintenance	13,669,091.20	•	185,655.00	(13,483,436.20)	•	(13,483,436.20)
Punil Transportation	5,228,746.35		411,937.00	(4,816,809.35)	•	(4,816,809.35)
I upit transportation	29.248.827.22	•	13,398,678.21	(15,850,149.01)	,	(15,850,149.01)
Crevial Schools	263.831.00	•		(263,831.00)		(263,831.00)
Special Schools Interest on Long-Term Debt	1.087,853.65		308,337.00	(779,516.65)	•	(779,516.65)
Unallocated Depreciation and Amortization	2,748,028.51			(2,748,028.51)		(2,748,028.51)
Total Governmental Activities	137,062,226.65	1	21,683,548.51	(115,378,678.14)		(115,378,678.14)
Business-Tyne Activities:						
Food Service	2,060,320.23	1,383,190.63	784,306.75		107,177.15	107,177.15
Latchkey Program	66.060,177	702,234.10			11:000:01	
Total Business-Type Activities	2,282,011.22	1,648,444.73	784,306.75	1	150,740.26	150,740.26
Total Primary Government	\$139,344,237.87	\$1,648,444.73	\$22,467,855.26	(\$115,378,678.14)	\$150,740.26	(\$115,227,937.88)
General Reve	enues:					
	Property Taxes, Lo	axes. Property Taxes. Levied for General Purposes,Net	rposes,Net	\$111,726,677.00		\$111,726,677.00
	Taxes Levied for Debt Service	Oebt Service		3,833,697.00	•	3,833,697.00
	Federal and State Aid not Restricted	id not Restricted		903,112.34	Ī	903,112.34
	Tuition	9		299,967.40 570.790.60	•	299,967.40 570,790.60
	Miscellaneous meor	21				10 ANC ACC 711
Total General	l Revenues			117,334,244.34	-	117,334,244.34
Change i	in Net Position			1,955,566.20	150,740.26	2,106,306.46
Net Position—Beginning	-Beginning			14,683,155.98	692,417.36	15,375,573.34
				\$1663872718	\$843 157 62	\$17,481,879.80
Net Position-	Ending			410,000,122.10		

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

# FUND FINANCIAL STATEMENTS SECTION – B

#### **GOVERNMENTAL FUNDS**

OS .	ЮОН:	BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2017	BOARD OF EDUCATION CT OF SOUTH ORANGE AN BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2017	ON : AND MAPLEW DS	Q00 <sub>0</sub>	Exhibit B-1 Page 1 of 2
	1	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS  Cash and Cash Equivalents	<del>⇔</del>	9,326,537.33 \$	288,995.05 \$	4,210,772.97 \$	0.12 \$	13,826,305.47
Other Accounts Receivable Property Taxes Receivable Receivables from Other Governments Restricted Cash and Cash Equivalents Total Assets		4,130,019.25 263,545.40 77,406.00 13,797,507.98	178,352.05	361,055.15 <b>4,571,828.12</b>	0.12	4,130,019.25 802,952.60 77,406.00 <b>18,836,683.32</b>
LIABILITIES AND FUND BALANCES Liabilities: Accounts Payable		3,020,027.99	13,480.79			3,033,508.78
Intergovernmental Accounts Payable: - State Accrued Liabilities		226,771.94	61,725.58			61,725.58 226,771.94 308.080.73
Advances from Grantors Total Liabilities	1 1	3,246,799.93	398,080.73 473,287.10	ı		3,720,087.03
Fund Balances: Restricted for: Excess Surplus - Current Year		2,389,338.22				2,389,338.22
Excess Surplus - Prior Year - Designated for Subsequent Year Expenditures Capital Reserve Account Maintenance Reserve	£.	2,389,338.21 1,845,184.00 1,000,000.00				2,389,338.21 1,845,184.00 1,000,000.00
Committed to: Year End Encumbrances		1,905,619.37				1,905,619.37
Assigned to: Capital Projects				4,571,828.12		4,571,828.12
Unassigned: General Fund Special Revenue Fund Debt Service		1,021,228.25	(5,940.00)		0.12	1,021,228.25 (5,940.00) 0.12
Total Fund balances	l	10,550,708.05	(5,940.00)	4,571,828.12	0.12	15,116,596.29
Total liabilities and fund balances	. ↔	13,797,507.98	467,347.10 \$	4,571,828.12	\$ 0.12 \$	18,836,683.32

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

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2017

Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:	<b>∽</b>	15,116,596.29
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$104,568,951.64, and the accumulated depreciation is \$44,774,649.37.		59,794,302.27
Long-term liabilities, including bonds payable and bond premiums, and compensated absences are not due and payable in the current period and therefore are not reported asliabilities in the funds.		(40,338,540.61)
Short-term Liabilities, including accrued interest on long-term debt, are not due and payable in the current period and therefore are not reported as liabilities in the funds.		(521,084.04)
The Net Pension Liability, and associated Deferred Inflows and Outflows of Resources of the District relating to its participation in the PERS system are not recognized in the funds using the current financial resources measurement focus, but are recognized in the statement of net position using the economic resourcesmeasurement focus. The decrease in net position is \$18,593,406.  The carrying amountsof the individual components are as follows:  Change in Pension Assumptions  Change in Pension Experience  Difference in Pension Earnings  Change in Pension Proportion  Pension Payment Subsequent to Measurement Date  Accounts Payable for Pension Expense  Net Pension Liability  Deferred Inflows of Resources:  Deferred Inflows of Resources:		5,286,032.00 474,563.00 973,037.00 364,791.00 824,611.00 (824,611.00) (25,518,316.00)
The Net Pension Liability of the District relating to its participation in the BOEEPFEC is not not recognized in the funds using the current financial resources measurement focus, but are recognized in the statement of net position using the economic resources measurement focus. The decrease in net position is \$554,332.  The carrying amountsof the individual components are as follows:  Accounts Payable for Pension Expense  Net Pension Liability		(45,854.00)

The difference between the face amount of Refunded Bonds and theescrow deposit required to legally defease the Bonds is recorded as a decrease to fund balance in the governmental funds, but is carried on the statement of net assets and amortized over the life of the Bonds. The Deferred Amount from Refunding is \$2,260,469 and accumulated amortization is \$630,844

16,638,722.18

**6** 

1,629,625.27

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

Net position of governmental activities

Exhibit B-2 Page 1 of 2

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND BALANCES

GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2017

		General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES Local Tax Levy Tuition-Individuals Other Local Sources State Sources Federal Sources	<del>∨</del>	111,726,677.00 \$ 299,967.40 570,790.60 18,787,009.21 169,253.26	- \$ 123,629.53 112,775.15 2,567,319.56	518,337.14	3,833,697.00 \$	115,560,374.00 299,967.40 694,420.13 19,726,458.50 2,736,572.82
Total Revenues		131,553,697.47	2,803,724.24	518,337.14	4,142,034.00	139,017,792.85
EXPENDITURES Current: Regular Instruction Special Education Instruction Other Special Instruction		35,050,555.52 11,032,121.23 1,768,560.85 1,139,409.95	2,240,987.68			35,050,555.52 13,273,108.91 1,768,560.85 1,139,409.95
Support Services and Undistributed Costs: Tuition Student & Instruction Related Services School Administrative Services General & Other Administrative Services Plant Operations and Maintenance Pupil Transportation Unallocated Benefits		12,442,167.39 11,724,522.10 4,879,690.18 3,688,132.20 13,520,360.20 5,162,911.41 27,515,493.42	541,630.62			12,442,167.39 12,266,152.72 4,879,690.18 3,688,132.20 13,520,360.20 5,162,911.41 27,515,493.42
Special Schools Transfer to Charter Schools		263,831.00				263,831.00
Debt Service: Principal Interest and Other Charges Capital Outlay	1	376,726.16	21,105.94	1,231,638.18	2,670,000.00	2,670,000.00 1,482,635.00 1,629,470.28
Total Expenditures	i	128,564,481.61	2,803,724.24	1,231,638.18	4,152,635.00	136,752,479.03
Excess (Deficiency) of Revenues over Expenditures	1	2,989,215.86		(713,301.04)	(10,601.00)	2,265,313.82

Exhibit B-2 Page 2 of 2

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND BALANCES

GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES) Transfers In Transfers Out	(1,900,000.00)		1,900,000.00		1,900,000.00
Total Other Financing Sources and Uses	(1,900,000.00)	,	1,900,000.00	1	•
Net Change in Fund Balances	1,089,215.86	,	1,186,698.96	(10,601.00)	2,265,313.82
Fund Balance—July 1	9,461,492.19	(5,940.00)	3,385,129.16	10,601.12	12,851,282.47
Fund Balance—June 30	\$ 10,550,708.05 \$	(5,940.00) \$	4,571,828.12 \$	0.12 \$	15,116,596.29

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

#### BOARD OF EDUCATION

## SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2017

Total net change in fund balances - governmental funds (from B-2)

\$ 2,265,313.82

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation expense (3,025,305.13)

Capital outlays <u>1,561,284.28</u> (1,464,020.85)

Repayment of bond and lease obligation (long-term debt) principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.

2,670,000.00

Interest on Long Term debt is accrued in the statement of activities. In the governmental funds, interest expenditures are recorded when due. The difference between interest accrued and interest paid is as follows:

Interest Paid 1,482,635.00 Interest Accrued (1,451,499.58) 31,135.42

The premium received on the sale of bonds is recorded in the governmental funds as an addition to fund balance in the year of issuance, but is carried on the statement of net position and amortized in the statement of activities over the life of the bonds.

Amortization of Bond Premiums 431,831.93

Pension expenditures in the governmental funds are recognized when paid or payable from expendable available financial resources. In the statement of activities, pension costs are recognized on a full accrual basis utilizing actuarial valuations. The amount by which actuarialy calculated pension expense exceeds the expenditure reported in the funds is a deduction.

(1,703,952.00)

The difference between the face amount of Refunded Bonds and the escrow deposit required to legally defease the Bonds is recorded as a decrease to fund balance in the governmental funds in the year of issuance, but is carried on the statement of net position and amortized over the life of the Bonds.

net assets and amortized over the life of the Bonds.

Amortization of Deferred Amount from Refunding

(245,360.32)

In the statement of activities, certain operating expenses, e.g., compensated absences (sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(29,381.80)

Change in net assets of governmental activities

\$ 1,955,566.20

#### **PROPRIETARY FUNDS**

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2017

				N	NON-MAJOR		
		MAJOR PR	OGRAMS		PROGRAM		
	•	FOOD	LATCHKEY	•			TOTAL
		SERVICE	PROGRAM		ETTC		<u> 2017</u>
<u>ASSETS</u>	•			-			
Current Assets:							
Cash and Cash Equivalents	\$	867,062.58 \$	43,563.11	\$	6,268.00	\$	916,893.69
Accounts Receivable:							•
State		1,357.94	-		-		1,357.94
Federal		46,169.71	-		-		46,169.71
Other		38,804.86	-		-		38,804.86
Inventories	i	9,637.19	••				9,637.19
Total Current Assets		963,032.28	43,563.11		6,268.00		1,012,863.39
Noncurrent Assets:							
Fixed Assets:							
Equipment		438,525.77	-		-		438,525.77
Accumulated Depreciation		(299,695.42)	_				(299,695.42)
Total Noncurrent Assets		138,830.35			_		138,830.35
Total Assets	\$	1,101,862.63 \$	43,563.11	. \$.	6,268.00	. \$_	1,151,693.74
<u>LIABILITIES</u>							
Current Liabilities:							
Accounts Payable	\$	159,412.05 \$	-	\$	-	\$	159,412.05
Unearned Revenue		149,124.07	_	-	_		149,124.07
Total Liabilities		308,536.12	_	-	_		308,536.12
NET POSITION							
Invested in Capital Assets Net of							
Related Debt		138,830.35	-		-		138,830.35
Unrestricted Net Position		654,496.16	43,563.11	-	6,268.00		704,327.27
Total Net Position	\$	793,326.51 \$	43,563.11	\$	6,268.00	\$_	843,157.62

#### **BOARD OF EDUCATION**

### SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS

#### FOR THE FISCAL YEAR ENDED JUNE 30, 2017

		MAJOR P	Re	OGRAMS		NON-MAJOR PROGRAM		
	•	FOOD		LATCHKEY	-			TOTAL
		SERVICE		PROGRAM	_	ETTC		2017
OPERATING REVENUES								
Local Sources:								
Daily Sales	\$	1,307,217.74	\$	-	\$	9	\$	1,307,217.74
Vending & Other Sales		75,972.89		-				75,972.89
Participant Fees				265,254.10	_			265,254.10
Total Operating Revenues		1,383,190.63		265,254.10			_	1,648,444.73
<b>OPERATING EXPENSES</b>								
District Management Costs:								
Personnel Costs		121,989.99		-				121,989.99
Food Service Management Company Costs:								
Food (Including USDA Commodities)		966,882.57		-				966,882.57
Supplies		53,750.60		191,187.69				244,938.29
Personnel Costs		708,814.64		28,333.30				737,147.94
Uniforms		2,496.50		-				2,496.50
Office & Admin.		4,408.49		-				4,408.49
Insurance		58,343.79		2,170.00				60,513.79
Outside Services		6,594.96		-				6,594.96
Management Fees		89,825.00		-				89,825.00
Depreciation		47,213.69	-		_		_	47,213.69
Total Operating Expenses		2,060,320.23	-	221,690.99	_	-	_	2,282,011.22
Operating Income (Loss)		(677,129.60)	-	43,563.11		_	_	(633,566.49)
Non-Operating Revenues:								
State Sources: State School Lunch Program		18,408.76						18,408.76
Federal Sources:		10,100170						,
School Breakfast Program		51,237.45		_				51,237.45
National School Lunch Program		569,563.02		_				569,563.02
USDA Commodities Program		145,097.52		_				145,097.52
OSDA Commodities i Togram		113,077.32	-				-	
Total Non-Operating Revenues		784,306.75	-	_	_	-	-	784,306.75
Change in Net Position		107,177.15		43,563.11		-		150,740.26
Total Net Position - Beginning		686,149.36	-	_		6,268.00	-	692,417.36
Total Net Position - Ending	\$	793,326.51	<b>_</b> \$	43,563.11	<b>_</b> \$	6,268.00	\$ _	843,157.62

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD COMBINING STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

#### FOR THE FISCAL YEAR ENDED JUNE 30, 2017

		MAJOR PRO	OGRAMS		ON-MAJOR ROGRAM	t	
	_	FOOD SERVICE	LATCHKEY PROGRAM		ETTC	_	TOTAL 2017
Cash Flows from Operating Activities:							
Cash Received from Customers Cash Payments for Goods & Supplies Cash Payments for Employee Expenses	\$	1,395,670.36 \$ (1,586,606.98) (121,989.99)	265,254.10 (191,187.69) (30,503.30)	\$		\$	1,660,924.46 (1,777,794.67) (152,493.29)
Net Cash Provided by (used for) Operating Activities		(312,926.61)	43,563.11		-		(269,363.50)
Cash Flows from Non-Capital Financing Activities State Sources		18,396.67					18,396.67
Federal Sources	_	622,087.57					622,087.57
Net Cash Provided by (used for) Non-Capital Financing Activities		640,484.24	_		_		640,484.24
Cash Flows from Capital and Related							
Financing Activities Sale of Equipment Purchase of Equipment	_	5,000.00 (11,726.60)					5,000.00 (11,726.60)
Net Cash Provided by (used for) Capital and Related Financing Activities	_	(6,726.60)	_		-		(6,726.60)
Net Increase (Decrease) in Cash and Cash Equivalents		320,831.03	43,563.11		-		364,394.14
Cash and Cash Equivalents, July 1	_	546,231.55	**		6,268.00		552,499.55
Cash and Cash Equivalents, June 30	\$ _	867,062.58	43,563.11	\$_	6,268.00	<b>\$</b>	916,893.69
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: Operating Income (Loss)	\$	(677,129.60)	43,563.11	\$		\$	(633,566.49)
Adjust. to Reconcile Operating Income (Loss) to Cash Provided (Used) by Oper. Activities:							
Depreciation		47,213.69					47,213.69 145,097.52
USDA Commodities (Increase) Decrease in Accounts Receivable		145,097.52 (31,294.85)					(31,294.85)
(Increase) Decrease in Inventory		1,284.21					1,284.21
Increase (Decrease) in Accounts Payables		159,412.05					159,412.05
Increase (Decrease) in Unearned Revenues	-	42,490.37				_	42,490.37
Net Cash Used by Operating Activities	\$	(312,926.61) \$	43,563.11	\$_	-	<b>_</b> \$	(269,363.50)

#### **FIDUCIARY FUNDS**

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2017

	Agency Funds		Expendable Trust Funds		TOTALS
<u>ASSETS</u>					
Cash and Cash Equivalents  Due from Depository	1,297,910.04 2,936.00	\$	736,062.14	\$	2,033,972.18 2,936.00
Interfund Accounts Receivable			53,882.14		53,882.14
Total Assets \$	1,300,846.04	_\$_	789,944.28	\$.	2,090,790.32
<u>LIABILITIES</u>					
Liabilities:					
Payroll Deductions and Withholc \$	783,278.90	\$		\$	783,278.90
Interfund Accounts Payable	53,882.14				53,882.14
Accounts Payable	462 605 00		20,968.68		20,968.68
Due to Student Groups	463,685.00				463,685.00
Total Liabilities	1,300,846.04	= -	20,968.68		1,321,814.72
NET POSITION					
Reserves for Unemployment					-
Compensation Insurance Claims			767,575.60		767,575.60
Unreserved			1,400.00		1,400.00
Total Net Position		\$_	768,975.60	\$	768,975.60
Total Liabilities and Net Position		\$_	789,944.28	\$:	2,090,790.32

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Expendable Trust Funds		TOTALS
ADDITIONS Contributions: Plan Member \$	204,060.77	. \$_	204,060.77
Total Contributions	204,060.77		204,060.77
Total Additions	204,060.77		204,060.77
<b>DEDUCTIONS</b> Unemployment Benefits	143,706.41		143,706.41
Total Deductions	143,706.41		143,706.41
Change in Net Position	60,354.36		60,354.36
Net Position - Beginning of the Year	708,621.24		708,621.24
Net Position - End of the Year \$	768,975.60	\$_	768,975.60

### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD COUNTY OF ESSEX, NEW JERSEY

#### NOTES TO BASIC FINANCIAL STATEMENTS <u>JUNE 30, 2017</u>

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Board of Education (Board) of The School District of South Orange and Maplewood (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued a codification of governmental accounting and financial reporting standards dated June 30, 2017. This codification and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles for state and local governments.

The more significant of the Board's accounting policies are described below.

#### A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) of the Board of Education (Board) of the School District of South Orange and Maplewood (District) report information on all of the nonfiduciary activities of the primary government only. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The District is not financially accountable for any legally separate component units, and no component units have been included in the government-wide financial statements.

#### **B.** Reporting Entity:

The School District of South Orange and Maplewood is a Type II district located in the County of Essex, 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 staggered three-year terms. Financial matters such as annual budgets and proposed debt authorizations are presented to a Board of School Estimate for review and approval. The purpose of the District is to provide a full range of educational services appropriate to grades K through 12.

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 District holds the corporate powers of the organization
- > the District appoints a voting majority of the organization's board
- > the District is able to impose its will on the organization
- > the organization has the potential to impose a financial benefit/burden on the District
- > there is a fiscal dependency by the organization on the District

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

#### C. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

#### D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. Any remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The District reports the following funds:

#### **GOVERNMENTAL FUNDS**

General Fund - The General Fund is the general operating fund of the District. 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 District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

**Special Revenue Fund -** The Special Revenue Fund is used to account for 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.

#### D. Basis of Accounting - Fund Financial Statements (Cont'd):

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 temporary notes or serial bonds that are specifically authorized by the Board of School Estimate and lease purchase obligations authorized by the Board.

**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 and lease purchase obligations issued to finance major property acquisition, construction and improvement programs.

**Permanent Fund** – The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the District's programs.

#### PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

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 District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District 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 District's Enterprise Funds are comprised of the Food Service Fund and a residual balance in a non-active ETTC Fund.

#### FIDUCIARY FUNDS

**Agency Fund** - The Agency Fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

**Expendable Employee Benefit Trust (Unemployment Insurance)** - Employee Benefit Trust should be used to report activities using the same measurement focus and basis of accounting resources that are required to be held in trust for members and beneficiaries of employee benefit plans.

Other Expendable Trust Funds - The District Related Arts and Deferred Compensation Trusts should be used to report financial activity in essentially the same manner as the governmental funds, using the same measurement focus and basis of accounting.

#### E. Interfund Activity in the Government-wide Financial Statements

During the course of its normal operations, the District will have activity between funds (interfund activity) for various purposes. Any residual interfund balances at year-end are reported as interfund accounts receivable/payable. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between funds included within governmental activities (the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, any interfund balances between business-type (enterprise) funds are eliminated so that only the net amount is included as internal balances in the business-type activities columns.

Further, interfund activity may occur during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. In the preparation of the government-wide financial statements, transfers between funds included as governmental activities are eliminated so that only net amounts of resources transferred from or to the governmental activities are reported. A similar treatment is afforded transfers of resources between enterprise funds for the preparation of business-type activity financial statements.

#### F. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting refers to the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the fiscal period that the taxes are levied by the municipality(s) within which the District is domiciled. Ad Valorem (Property) Taxes are susceptible to accrual and under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District recognizes the entire approved tax levy as revenue in the fiscal period for which they were levied. The District is entitled to receive moneys under an established payment schedule and any unpaid amount is considered to be an "accounts receivable". Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. State categorical aid revenues are recognized as District revenue during the fiscal period in which they are appropriated.

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual basis accounting. Exceptions to this general rule include debt service, for which interest and principal expenditures in the Debt Service Fund are recognized on

#### F. Measurement Focus and Basis of Accounting (Cont'd.)

their due dates, and expenditures relating to compensated absences, claims and judgments, which are recorded in the period when payment becomes due. General capital asset acquisitions are recorded as expenditures in the governmental funds and are not capitalized. The issuance of long-term debt for capital purposes and capital lease obligations incurred to acquire general capital assets are reported as "other financing sources".

The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Entitlements are recorded as revenue when all eligibility requirements, including timing of funding appropriations, are met, subject to the 60-day availability requirement for collection. Interest and tuition revenues are considered susceptible to accrual and have been recognized as revenues of the current fiscal period, subject to availability. Expenditure driven grant revenues are recorded as qualifying expenditures are incurred and all other eligibility requirements have been met, subject to availability requirements. All other revenue items are considered measurable and available only when cash is received by the District.

The District's proprietary funds, employee benefit trust fund and private purpose scholarship trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

#### G. Budgets/Budgetary Control:

Annual budgets are adopted for the general, special revenue and debt service funds using a regulatory basis of accounting which differs from generally accepted accounting principles in one material respect; Budgetary revenues for certain nonexchange state aid transactions are recognized for budgetary purposes in the fiscal period prior to the period in which the state recognizes expenditures/expenses.

The amounts of the adjustments needed to reconcile the budgetary basis to the GAAP based fund financial statements is set forth in the explanation of differences schedules which follow.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval. Pursuant to changes in the Local District School Budget Law, statutorily conforming base budgets of Districts with annual school elections held in November (The District has chosen this option) are no longer required to be presented to the voters for approval on the third Tuesday in April. 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. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. New Jersey statutes place limits on the Board's ability to increase budgeted expenditures through the appropriation of previously undesignated fund balance and requires the District to obtain additional approvals when budgetary transfers, measured using the advertised budgetary account totals rather than line-item totals, exceed certain thresholds. The Board of Education did not make any supplemental budgetary appropriations during the fiscal year that required additional approvals from oversight agencies.

#### G. Budgets/Budgetary Control (Cont'd.):

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

Appropriations in the general and debt service funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances, for which the contracted performance is expected during the subsequent budget cycle, are legally restricted at year-end and are automatically re-appropriated and become part of the subsequent years' budget pursuant to state regulations.

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 statements.

The following presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedules – General and Special Revenue Funds to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.

Explanation of differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

Emperior co.	General Fund	Special Revenue Fund
Sources/inflows of resources Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$132,069,589.47	\$2,756,431.82
Difference- budget to GAAP: Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and revenues (Net)	0.00	47,292.42
Certain State Aid payments are 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).	(1,922,473.00)	0.00
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,406,581.00	0.00
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance-governmental funds	\$ <u>131,553,697.47</u>	\$ <u>2,806,724.24</u>

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### G. Budgets/Budgetary Control (Cont'd.):

	General Fund	Special Revenue Fund
Uses/Outflows of resources Actual amounts (budgetary basis) "total outflows" From the budgetary comparison schedule	\$130,464,481.61	\$2,756,431.82
Difference- budget to GAAP: Encumbrances for supplies and equipment ordered but not yet are reported in the year the encumbrance is placed for budgetary purposes, but in the year the goods are received for financial reporting purposes (Net)		47,292.42
Transfers (outflows) to Charter School (Net) Transfers (outflows) Capital Projects Fund (Net)	(263,831.00) (1,900,000.00)	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds.	\$ <u>128,300,650.61</u>	\$ <u>2,803,724.24</u>

#### H. 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, which are generally based on quoted market prices.

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

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

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. GUDPA was amended, effective July 1, 2010, by P.L. 2009, c. 326. The amendments provide a greater level of security protection for covered deposits by increasing collateralization requirements and revising the enforcement protocol to allow for timely response in the event that a member bank shows signs of stress.

#### H. Cash, Cash Equivalents and Investments (Cont'd.):

Under the amended law, collateralization of GUDPA deposits up to 75% of New Jersey capital is based on a sliding scale that requires the minimum of 5% collateral for Well Capitalized institutions to a maximum of 120% collateral for Critically Undercapitalized institutions. All uninsured GUDPA deposits in excess of 75% of New Jersey capital require 100% collateral. 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.

#### I. Inventories and Prepaid Expenses:

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

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The cost of such inventories is recorded as expenses when consumed rather than when purchased.

Payments made to vendors for services that will benefit periods beyond June 30, 2017 are recorded as prepaid items in both the government-wide and fund financial statements.

#### J. Short-Term Interfund Receivables/Payables:

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

#### K. Capital Assets:

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$2,000.00 or more of initial, individual cost for capitalizing capital assets. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated costs.

Capital assets are recorded in the District-wide financial statements, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

Capital assets not being depreciated include land and construction in progress.

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### K. Capital Assets (Cont'd.):

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Food Service Fund: Equipment

5-20 Years

#### L. Compensated Absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued in the government-wide financial statements as the employees earn the rights to the benefits. Compensated absences that related to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The School District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences".

In the governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as a fund liability and expenditure in the fund that will pay for the compensated absence. The noncurrent portion for governmental funds is maintained separately and is a reconciling item between the fund and government-wide presentations.

Based upon existing personnel policies and collective bargaining agreements, employees are granted varying amounts of annual sick, personal and vacation leave. Sick leave may be accumulated for use in subsequent years and the right to a termination payment begins to vest with the employee after 10 years of service. Termination payments for unused sick pay are capped at by existing personnel policies and the provisions of collective bargaining agreements. Accumulations of unused sick leave may be used only for illnesses in subsequent periods. The accumulation of unused vacation pay is also limited by the provisions of existing personnel policies and collective bargaining agreements. Unused vacation pay is paid to employees upon separation from service at current daily pay rates. Changes in the value of compensated absences earned and unused is more fully detailed in Note 4.

#### M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Jersey Public Employees Retirement System (PERS) and the and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### M. Pensions (Cont'd.)

Prior to July, 1981 (the Plan "Closure Date"), certain employees of the District were eligible for enrollment in the Board of Education Employees Pension Fund of Essex County (the "Essex County Plan"). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Essex County Plan and the and additions to/deductions from Plan fiduciary net position have been determined on the same basis as they are reported by Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### N. Tuition Payable

Tuition charges for the fiscal years 2015-16 and 2016-17 were based on rates established by the receiving districts. These rates are subject to change when the actual costs have been determined.

#### O. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recorded as an outflow of resources (expenditure/expense) until that time. The District is reporting six items in this category; The Deferred Amount on Refunding, and Pension related items including the Change in Pension Assumptions, Change in Pension Experience, the amounts of pension payments made by the District subsequent to the pension measurement date, the Difference in Pension Earnings and the Change in Pension Proportion. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding bonds. Deferred Outflows for Changes in Pension Assumptions future outflows of resources resulting from changes in actuarial assumptions used in the valuation of the pension liability. The former represents the District's proportionate share of plan earnings in excess of assumed amounts, while the latter represents the favorable impact of a decline in the District's proportionate share of system wide net pension liability. Deferred outflows for Subsequent pension payments reflects payments made by the District to the pension system subsequent to the date of the most recent actuarial valuation, which was June 30, 2016.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element represents the acquisition of net position that applies to a future period(s) and will not be recorded as an inflow of resources (revenue) until that time. The District is reporting one pension related items in this category, the Change in Pension Proportion

#### P. Unearned Revenue/Advances from Grantors:

Unearned revenue represents cash advances received relating to services (expenditures/expenses) that will be provided in a subsequent fiscal period. Similarly, for expenditure-driven grants, amounts advanced to the District in excess of the amounts expended and earned are recorded as advances from grantors.

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### P. Unearned Revenue/Advances from Grantors:

Unearned revenue represents cash advances received relating to services (expenditures/expenses) that will be provided in a subsequent fiscal period. Similarly, for expenditure-driven grants, amounts advanced to the District in excess of the amounts expended and earned are recorded as advances from grantors.

#### Q. Net Position Flow Assumption (District-Wide and Proprietary Fund Financial Statements)

Periodically, the District may fund outlays for a particular purpose from both restricted resources, such as bond referendum proceeds and/or grant proceeds, and unrestricted resources. To determine the amounts of net position- restricted and unrestricted that should be reported in the government-wide and proprietary fund financial statements, a flow assumption must be made to establish the order in which resources are considered to be applied. In the absence of specific grant compliance requirements to the contrary, the District policy is to utilize all amounts of available restricted net position prior to applying unrestricted net position to fund acquisition costs.

#### R. Fund Balance Flow Assumption (Governmental Fund Financial Statements)

Periodically, the District may fund outlays for a particular purpose from both restricted resources and unrestricted resources (the total of the committed, assigned and unassigned fund balance). To determine the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made to establish the order in which resources are considered to be applied.

In the absence of specific grant compliance requirements to the contrary, the District policy is to utilize all amounts of available restricted fund balance prior to applying any component of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance, with unassigned fund balance applied last.

#### S. Fund Balance Policies:

Fund balance of the governmental funds is reported in various categories based upon the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through actions to transfer amounts to legally restricted reserve accounts (capital, maintenance and emergency reserves), or actions to commit or assign fund balance.

The committed fund balance includes amounts that can only be used for the specific purposes determined by a formal action of the Board of Education. Commitments of fund balance remain in place until the committed fund balance is fully depleted or an amendatory action is taken by the Board of Education.

#### S. Fund Balance Policies (CONT'D.):

Assignments of fund balance are made by the Board of Education for specific purposes that do not the criteria to be classified as committed. The Board of education also assigns fund balance when it appropriates unrestricted/unassigned fund balance to bridge a gap between estimated revenue and appropriations in the subsequent year budget. Unlike commitments, assignments are generally temporary in nature, and additional actions of the Board are generally not required to remove an assignment, whereas an action of the Board is essential to the modification or elimination of an unexpended committed fund balance.

#### T. District-Wide Financial Statement Classifications

- 1. Program Revenues Amounts reported as program revenues include a) charges to customers or applicants who purchase, use or benefit from goods services or privileges provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.
- 2. General Revenues all taxes, including those designated for specific purposes such as debt service, are reported as general revenues. All other resources, including internally dedicated resources, unrestricted entitlements, and investment income are reported as general revenues.
- 3. Capital Assets In the statement of net position, capital assets are reported, net of accumulated depreciation as assets of the governmental activities and business-type activities.
- 4. Long-term Debt In the statement of net position, long-term debt is reported as a component of long-term liabilities of the governmental activities and business-type activities.
- 5. Net Investment in Fixed Assets In the statement of Net Position, the net undepreciated value of capital assets, less the value of outstanding debt issued to purchase acquire or build those capital assets, is reported as Net Investment in Fixed Assets as a component of net position for the governmental activities and business-type activities.

#### U. Proprietary Fund Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and products in connection with the primary purpose or function for which the fund was established. The District's Food Service proprietary fund reports operating revenues from the sales of lunches and a la carte items, and operating expenses include the costs of sales (food, supplies and labor), administrative costs and depreciation on capital assets. Revenues earned through the District's participation in the National School Lunch Program are classified as nonoperating revenues, notwithstanding the limitations on the pricing of Type A student lunches that is required for program participation.

#### V. Reconciliation of District-Wide and Fund Financial Statements

I. Differences between governmental fund balance sheet and District-wide statement of net position:

Total Governmental Fund Balance (B-1)

\$15,116,596

Adjustments to District-Wide Net Position: Capital Assets (see Note 3)

59,794,302

Long-Term Liabilities (see Note 4)	(40,338,541)
Net Pension Liabilities	(25,921,233)
Other Items not recognized in Fund Financial Statements:	
Accrued Interest on Long-term Debt	(521,084)
Pension Related Deferred Outflows	7,923,034
Pension Related Deferred Inflows	(173,513)
Pension Accounts Payable	(870,465)
Unamortized Deferred Amounts from Refunding	<u>1,629,626</u>
Net Position of Governmental Activities	\$16,638,722

#### V. Reconciliation of District-Wide and Fund Financial Statements (Cont'd.)

II. Differences between governmental fund statement of revenues, expenditures and changes in fund balances and District-wide statement of activities:

Total Net Change Governmental Fund Balance (B-2)	\$2,265,314
Adjustments to District-Wide Net Position: Depreciation on Capital Assets (see Note 3) Capital Outlays Repayment of Long-Term Liabilities (see Note 4) Increase in Value of Compensated Absences Interest on Long-term Debt (Accrual Basis for District-Wide) Pension Expense (Accrual Basis for District-Wide) Amortization of Premiums Received on Bond Sales Amortization of Deferred Amounts from Refunding	(3,025,305) 1,561,285 2,670,000 (29,382) 31,135 (1,703,952) 431,832 (245,360)
Change in Net Position of Governmental Activities	<u>\$1,955,566</u>

#### W. Estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### X. Deferred Amounts on Refundings:

Deferred amounts on refunding/refinancing should be deferred and amortized over the term of the bonds/leases using the straight-line method. Prior to its 2011 Bonds, the District did not defer these items for any of the currently outstanding debt issuances. However, this omission is not considered to be material to the overall financial statement presentation.

#### NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The South Orange and Maplewood Board of Education had the following depository accounts. All deposits are carried at cost plus accrued interest. The government does not have a deposit policy.

Depository Account	Bank Balance
Insured - FDIC Insured - NJGUDPA (N.J.S.A.17:94.1) Uninsured - Money Market Funds	\$ 334,377.77 3,365,449.26 16,667,299.50
Total Deposits	\$ <u>20,367,126.53</u>

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that in the event of a bank failure, the board's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. Based upon NJGUDPA, as of June 30, 2017, \$0.00 of the Board's bank balance of \$3,699,827.03 was exposed to custodial risk. (See Note 1-G. relating to statutory mitigation of custodial risk in the event of a bank failure). The District utilizes an Investment Management Account that invests in shares of a money market mutual fund managed by its depository as a "sweep account" for the overnight investment of idle funds. These moneys are not covered by FDIC insurance or the provisions of GUDPA. Based upon the liquidity of the fund's holdings, these deposits are considered cash equivalents for financial reporting purposes.

New Jersey Cash Management Fund — All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of June 30, 2017, the District had \$0.00 on deposit with the New Jersey Cash Management Fund.

3,025,305.13

#### **NOTE 3: CAPITAL ASSETS**

The governmental fund balance sheet includes a reconciliation between fund balance- total governmental funds and net position-governmental activities as reported in the District-wide statement of net position. One item of that reconciliation explains that capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. An addition to the fund balance - total governmental funds is made to reflect the carrying value of the District's capital assets at year-end in the District-wide financial statements, which consisted of:

Total capital assets at cost Less: accumulated depreciation					104,568,951.64 (44,774,649.37)
Government Activities Capital Assets, Net				:	59,794,302.27
Capital asset activity for the year ended June 30, 2	017 was as follows	:			
	Beginning <u>Balance</u>	Additions	Retirements	<u>Transfers</u>	Ending <u>Balance</u>
Governmental Activities:					
Capital Assets That Are Not Being Depreciated: Sites Construction in Progress	2,825,596.00 14,485,554.49	\$ \$ 		\$ (13,208,738.91)_	2,825,596.00 2,508,453.76
Total Capital Assets Not Being Depreciated	17,311,150.49	1,231,638.18	-	(13,208,738.91)	5,334,049.76
Building and Improvements  Machinery and Equipment  Totals at Historical Cost	78,250,887.94 7,445,628.93 85,696,516.87	329,646.10 329,646.10		13,208,738.91	91,459,626.85 7,775,275.03 99,234,901.88
Less Accumulated Depreciation: Fixed Assets	(41,749,344.24)	(3,025,305.13)			(44,774,649.37)
Total Accumulated Depreciation	(41,749,344.24)	(3,025,305.13)	-		(44,774,649.37)
Total Capital Assets Being Depreciated (Net of Accumulated Depreciation)	43,947,172.63	(2,695,659.03)	-		54,460,252.51
Government Activities Capital Assets, Net \$	61,258,323.12	\$ (1,464,020.85) \$		\$ <u> </u>	59,794,302.27
Business-type Activities Equipment Less Accumulated Depreciation for: Equipment	431,799.17 (252,481.73)				431,799.17 (252,481.73)
Business-type Activities Capital Assets, Net \$	179,317.44	ss	_	\$\$	179,317.44
*	Depreciation expo	ense was charged to go Instruction Direct expense of vari Unallocated		tions as follows: \$ 213,590.00 309,046.94 2,502,668.19	

Total deprecation expense

#### **NOTE 4: LONG TERM DEBT**

The governmental fund balance sheet includes a reconciliation between fund balance- total governmental funds and net position-governmental activities as reported in the District-wide statement of net position. One item of that reconciliation explains that Long-term liabilities, including bonds and judgments payable, are not due and payable in the current period and therefore are not reported liabilities in the governmental funds. A deduction to the fund balance - total governmental funds is made to reflect the carrying value of the District's long-term liabilities at year-end in the governmental activities of the District-wide financial statements.

Long-term debt liability activity for the year ended June 30, 2017 was as follows:

Governmental Activities:		Beginning Balance	Additions	Reductions	Ending <u>Balance</u>	Amounts Due Within One Year
Bonds Payable: General Obligation Debt	\$_	40,163,000.00 \$	\$	(2,670,000.00) \$	37,493,000.00 \$_	2,763,000.00
Total Bonds Payable	_	40,163,000.00	•	(2,670,000.00)	37,493,000.00	2,763,000.00
Other Liabilities: Compensated Absences Payable	•	377,744.85	29,381.80		407,126.65	- AMARIA
Total Other Liabilities		397,429.55	29,381.80		407,126.65	
Bond Premiums/(Discounts)	_	3,310,270.99		(431,831.93)	2,878,439.06	424,070.30
Total Bond Premiums	_	3,310,270.99	<del>-</del>	(431,831.93)	2,878,439.06	424,070.30
Net Pension Liability: BOE EmplyeesFund of Essex County Public Employees Retirement System		402,917.00 18,838,856.00	6,679,460.00		402,917.00 25,518,316.00	
Total Net Pension Liability		19,241,773.00	6,679,460.00		25,921,233.00	-
Total Long-Term Liabilities	\$_	62,709,556.54 \$_	6,708,841.80_\$	(3,101,831.93) \$_	66,296,881.71 \$	3,187,070.30

#### NOTE 4. LONG-TERM DEBT (Cont'd)

<u>A. Bonds Payable</u> -- 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.

Principal and interest due on bonds outstanding as at June 30, 2017 is as follows:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	2,763,000.00	1,402,194.00	4,165,194.00
2019	2,760,000.00	1,306,960.00	4,066,960.00
2020	2,840,000.00	1,215,160.00	4,055,160.00
2021	2,935,000.00	1,120,335.00	4,055,335.00
2022	3,030,000.00	1,009,235.00	4,039,235.00
2023	3,130,000.00	885,435.00	4,015,435.00
2024	3,235,000.00	761,230.00	3,996,230.00
2025	3,355,000.00	627,215.00	3,982,215.00
2026	3,320,000.00	485,590.00	3,805,590.00
2027	3,365,000.00	345,550.00	3,710,550.00
2028	3,560,000.00	220,795.00	3,780,795.00
2029	800,000.00	99,000.00	899,000.00
2030	800,000.00	75,000.00	875,000.00
2031	800,000.00	51,000.00	851,000.00
2032	800,000.00	26,000.00	826,000.00
	\$37,493,000.00	\$9,630,699.00	\$47,123,699.00

**B.** Bonds Authorized But Not Issued – As of June 30, 2017, the District had no bonds or notes authorized but not issued.

#### **NOTE 5. OPERATING LEASES**

In April 2015, the District entered into a 5-year lease agreement for thirteen digital copiers and accessories. The agreement calls for 60 equal monthly payments of \$5,218.00, commencing in June 2015. Future minimum lease payments at June 30, 2017 are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	57,466.27	5,149.73	62,616.00
2019	59,510.96	3,105.04	62,616.00
2020	<u>56,407.19</u>	<u>990.81</u>	57,398.00
Total future minimum lease payments	<u>\$173,384.42</u>	<u>\$9,245.58</u>	<u>\$182,630.00</u>

#### **NOTE 6. PENSION PLANS**

Description of Plans – The State of New Jersey, Division of Pension and Benefits (the Division) was created and exists pursuant to N.J.S.A. 52:18A to oversee and administer the pension trust and other postemployment benefit plans sponsored by the State of New Jersey (the State). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the plans terminate. Each defined benefit pension plan's designated purpose is to provide retirement, death and disability benefits to its members. The authority to amend the provision of plan rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for the public Employees Retirement System (PERS) and the Teachers Pension and Annuity Fund (TPAF), once a Target Funded Ratio (TFR) is met, that will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committee will also have the authority to reactivate the cost of living adjustment (COLA) on pensions.

However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a projection period. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the plans. This report may be accessed via the Division of Pensions and Benefits website, at <a href="https://www.state.nj.us/treasury/pensions">www.state.nj.us/treasury/pensions</a>, or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

The District also makes annual required contributions to the Board of Education Employees' Pension Fund of Essex County (BOEEPFEC). The BOEEPFEC was created in 1929 pursuant to an Act of the State Legislature to provide pension benefits to non-teaching personnel in Essex County, NJ school districts. Subsequent to the passage by its members of a referendum on Social Security coverage, the Fund was closed to new members in 1981 and members voting for Social Security coverage were transferred to the Public Employees Retirement System. The remaining members of the BOEEPFEC have met the minimum 10-year vesting period for participation.

Generally, BOEEPFEC members are eligible for retirement at age 60 with an annual benefit equal to 1/45<sup>th</sup> per year of creditable service of the average of the three highest compensation years of Fund membership. BOEEPFEC Fund benefits also include a provision for Cost-of-Living Increases (COLA) for those who have been retired for at least two calendar years. COLA benefits are funded by the participating districts on a pay-as-you-go basis. The annual billing to each participating district consists of the reimbursement of COLA benefits, the Retired Member Administrative Expenses and the Amortization of the Unfunded Pension Liability, which are based on actuarial calculations.

#### A. PUBLIC EMPLOYEES RETIREMENT SYSTEM

The Public Employee Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PERS Plan are as follows:

#### A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D.)

Plan Membership and Contributing Employers- Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or other jurisdiction's pension fund. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2016:

Inactive plan members or beneficiaries currently receiving benefits Inactive plan members entitled to but not yet receiving benefits Active plan members	171,422 703 <u>261,171</u>
Total	433,296

Contributing Employers -1,713.

Significant Legislation - Chapter 19, P.L. 2009, effective March 17, 2009, provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State Fiscal Year 2009. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of PERS, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PERS.

Payrolls and Covered Wages - For the year ended June 30, 2017 the Board's total payroll for all employees was \$61,209,542. Total PERS covered payroll was \$5,994,161. Covered payroll refers to all compensation paid by the Board to active employees covered by the Plan.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A 43:15 and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.06% in State fiscal year 2016. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers contribution amounts are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The School Board's cash basis contributions to the Plan for the years ended June 30, 2016 and 2017 were \$721,506 and \$765,439, respectively. School Board Contributions are due and payable in the fiscal period subsequent to plan year for which the contributions requirements were calculated.

The vesting and benefit provisions are set by N.J.S.A. 43:15. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

#### A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D.)

The following represents the membership tiers for PERS:

Tier Definition

1 Members who were enrolled prior to July 1, 2007.
2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3 Members who were eligible on or after November 2, 2008 and prior to May 22, 2010
4 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5 Members who were eligible to enroll on or after June 28, 2011

A service retirement benefit of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, to tier 3 and 4 members before age 62 with 25 or more years of service credit and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with his/her respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At June 30, 2017, the School Board reported a net reduction to the net position of its governmental activities of \$25,518,316 for its proportionate share of the net pension liability and associated deferred inflows and deferred outflows of financial resources.

The PERS net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 that was rolled forward to that date.

The Board's proportion of the net pension liability was based on a projection of the Boards long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. The June 30, 2016 actuarial valuation indicated that the Board's proportion was 0.0861606%, which was an increase of 0.002238% from its proportion measure valued as of June 30, 2015.

#### A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D.)

For the year ended June 30, 2017, the Board recognized pension expenses of \$2,469,347. At June 30, 2017, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Changes in assumptions	\$5,286,032	\$
Net difference between projected and actual earnings on Plan investments	973,037	
Change in Experience Changes in proportion and differences between	474,563	
Board contributions and proportionate share of contributions	364,791	173,513
Board contributions subsequent to the measurement date	824,611	0
Total	<u>\$7,923,034</u>	<u>\$173,513</u>

The \$824,611 of deferred outflows of resources resulting from the Boards contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending	
June 30,	
2017	\$(1,547,693.00)
2018	(1,547,693.00)
2019	(1,785,531.00)
2020	(1,522,369.00)
2021	(521,624.00)

Actuarial Assumptions- The collective total pension liability in the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions:

Inflation	3.08%	
Salary Increase: Through 2026	1.65-4.15% Based on age	
Thereafter	2.65-5.15% Based on age	
Investment rate of return	7.65%	

#### A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D.)

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participant. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 for females. In addition, the tables provide for future improvements on mortality from the base year of 2013 using a generational approach based on the plans actuary's modified MP-2014 project scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females).

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on the future PERS financial statements.

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuarial. The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2016 are summarized in the following table:

		Long-Term
	Target Allocation	Expected Real
Asset Class		Rate of Return
Cash	5.00%	.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad US Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex US	5.00%	-0.25%
REIT	5.25%	5.63%

### B. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D.)

Discount Rate – The discount rate used to measure the pension liabilities of PERS was 3.98% as of June 30, 2016. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65% and a municipal bond rate of 2.85% as of June 30, 2016 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 current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined 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 2034. Therefore, the long-term rate of return on plan investments was applied to projected benefit payments through 2034 and the municipal bond rate was applied to the project benefit payments after that date in determining the total pension liability.

Sensitivity of Net Pension Liability – the following presents the net pension liability of PERS participating employers as of June 30, 2016, calculated using the discount rates as disclosed above as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

	At 1% Decrease (2.98%)	At current discount rate (3.98%)	At 1% increase (4.98%)
PERS State of New Jersey Local Units	\$34,422,851,197 36,292,338,055 \$70,715,189,252	\$29,390,685,705 29,617,131,759 \$59,007,817,464	\$25,246,574,457 24,106,170,190 \$49,352,744,647
District's Proportionate share of the net pension liability	<u>\$31,269,718</u>	<u>\$25,518,316</u>	<u>\$20,770,035</u>

Components of Net Position Liability – The components of the net position for PERS, including the State of New Jersey, at June 30, 2016 is as follows:

	<u>State</u>	Local	<u>Total</u>
Total Pension Liability Plan Fiduciary Net Position	\$36,295,189,928 	\$49,474,698,146 19,857,566,387	\$85,769,888,074 26,762,070,610
Net Pension Liability	<u>\$29,390,685,705</u>	<u>\$29,617,131,759</u>	<u>\$59,007,817,464</u>

### B. BOARD OF EDUCATION EMPLOYEES PENSION FUND OF ESSEX COUNTY

The Board of Education Employees Pension Fund of Essex County (BOEEPFEC) is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is privately administered. The more significant aspects of the BOEEPFEC Plan are as follows:

*Plan Membership and Contributing Employers*- The Plan has been closed to new members since 1981. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2016:

Inactive plan members or beneficiaries currently receiving benefits	644
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	<u>0</u>
Total	<u>644</u>

Contributing Employers -18.

For the year ended June 30, 2017 the Board's total payroll for all employees was \$61,209,542. Total BOEEPFEC covered payroll was \$0. Covered payroll refers to all compensation paid by the Board to active employees covered by the Plan.

The School Board's cash basis contributions to the Plan for the years ended June 30, 2017 and 2016 were \$36,491 and \$57,883, respectively. School Board Contributions are due and payable in the fiscal period subsequent to plan year for which the contributions requirements were calculated.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At June 30, 2015, the School Board reported a liability of \$508,478 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by a calculation prepared by the Plan actuary as of that date. The Board's proportion of the net pension liability was based on a projection of the Boards long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2017, the Boards proportionate share of the Fund's Net Pension Liability was \$402,917, and its proportion was 1.1130781%, which was a decrease of 0.2070001% from its proportion measure as of June 30, 2015.

For the year ended June 30, 2016, the Board recognized pension expenses of \$(105,561). At June 30, 2016, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows Of Resources

Net difference between projected and actual earnings on Plan investments

\$90,288

### B. BOARD OF EDUCATION EMPLOYEES PENSION FUND OF ESSEX COUNTY (CONT'D)

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

### Year ending June 30,

2017	(\$18,057.60)
2018	(\$18,057.60)
2019	(\$18,057.60)
2020	(\$18,057.60)
2021	(\$18,057.60)

Actuarial Assumptions- The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Salary Increases	4.5%
Cost-of-Living Adjustments	3.0%
Investment rate of return, net, including inflation	7.0%

Mortality rates were based on the RP-2000 Combined Table for Males or Females, as appropriate with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2015, net a 2.3% inflation assumption, are summarized in the following table:

### **Asset Class**

US Large-Cap Equities	6.70%
US Small-Cap Equities	6.70%
US Fixed Income	1.60%

Sensitivity of Net Pension Liability – The BOEEPFEC has not provided sensitivity data relating to its reported Net Pension Liability as of June 30, 2016 in the amount of \$36,198,447. The following presents the net pension liability of BOEEPFEC calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

	At 1% Decrease	At current discount rate	At 1% increase
BOEEPFEC	\$52,419,755	\$38,518,877	\$26,490,535

*Plan Fiduciary Net Position* – The plan fiduciary net position for BOEEPFEC at June 30, 2016 has not been provided by the Fund's management.

### C. TEACHERS PENSION AND ANNUITY FUND

The Teachers Pension and Annuity Fund is a cost-sharing, multiple employer defined benefit pension plan with a special funding situation as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the TPAF Plan are as follows:

Plan Membership and Contributing Employers- Substantially all teachers or members of the professional staff of Local Education Agencies that are certified by the State Board of Examiners, and Employees of the Department of Education who have titles that are unclassified, professional and certified are enrolled in the TPAF. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2016:

Inactive plan members or beneficiaries currently receiving benefits

The current number of ERIP Contributing Employers is 24.

	101,263
Inactive plan members entitled to but not yet receiving benefits	210
Active plan members	<u>155,882</u>
Total	257,355

In addition to the State, who is the sole payer of regular employer contributions to the fund, TPAF's contributing employers include boards of education who elected to participate in the Early Retirement Incentive Program (ERIP) and are legally responsible to continue to pay towards their incurred liability.

Significant Legislation - Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of TPAF.

Covered Payroll - For the year ended June 30, 2017 the Board's total payroll for all employees was \$61,209,542. Total TPAF covered payroll was \$48,291,609. Covered payroll refers to all compensation paid by the Board to active employees covered by the Plan.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contributions rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.06% in State fiscal year 2016. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State of New Jersey contribution amount is based on an actuarially determined amount which includes the employer portion of normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory insurance is based on actual claims paid and a "pay-as-you-go" basis.

### C. TEACHERS PENSION AND ANNUITY FUND (CONT'D)

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

<u>Tier</u> <u>Definition</u>

- 1 Members who were enrolled prior to July 1, 2007.
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible on or after November 2, 2008 and prior to May 22, 2010
- 4 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 and tier 5 with 30 or more years of service credit before age 65.

Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age of his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – The State of New Jersey is solely responsible for funding the normal pension obligations of the TPAF, including 100% of the obligations of LEAs within the State. Accordingly, the District does not report TPAF pension liabilities or deferred inflows and outflows of financial resources in its financial statements. Payments made by the State to the TPAF "on-behalf" of the LEAs are reported to the LEAs and reported as TPAF pension expenditures/expenses as made.

Three-Year Trend Information for TPAF (Paid on-behalf of the District, excluding post-retirement

Year <u>Funding</u>	mearen	Annual Pension Cost (APC)	Percentage of APC Contributed		Net Local Pension Obligation
6/30/17	\$	5,418,882	Unknown	%	\$ 0
6/30/16 6/30/15		3,840,695 2,667,303	Unknown Unknown	% %	0

### NOTES TO FINANCIAL STATEMENTS

### **NOTE 6. PENSION PLANS (CONT'D):**

### C. TEACHERS PENSION AND ANNUITY FUND (CONT'D)

At June 30, 2016, the TPAF reported a net pension liability of \$78,666,367,052 for its Non-State Employer Member Group. The proportionate share of the State of New Jersey's the net pension liability for the Non-State Employer Member Group that is attributable to the District was \$377,365,521, or 0.480%. State non-employer contributions allocated to the District were \$2,651,467 and \$3,820,356 for 2015 and 2016.

Actuarial Assumptions- The total pension liability in the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation 2.50%
Salary Increases (2012-2021) Varies based on experience
Thereafter Varies based on experience
Investment rate of return 7.65%

Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting morality improvement on generational basis based on a 60-year average of Social Security Data from 1953-to 2013.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

### C. TEACHERS PENSION AND ANNUITY FUND (CONT'D)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Target <u>Allocation</u>	Long-Term Expected Real Rate of Return
U.S. Cash	5.00%	0.39%
U.S. Government Bonds	1.50%	1.28%
U.S. Credit Bonds	13.00%	2.76%
U.S. Mortgages	2.00%	2.38%
U.S. High Yield Bonds	2.00%	4.70%
U.S. Inflation-Indexed Bonds	1.50%	1.41%
U.S. Equities	26.00%	5.14%
Developed Foreign Equities	13.25%	5.91%
Emerging Market Equities	6.50%	8.16%
Private Real Estate Property	5.25%	3.64%
Timber	1.00%	3.86%
Farmland	1.00%	4.39%
Private Equity	9.00%	8.97%
Commodities	0.50%	2.87%
Hedge Funds - Multi-Strategy	5.00%	3.70%
Hedge Funds - Equity Hedge	3.75%	4.72%
Hedge Funds - Distressed	3.75%	3.49%

Discount Rate —The discount rate used to measure the total pension liability was 3.22% as of June 30, 2016. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65% and a municipal bond rate of 2.85% as of June 30, 2016 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 contribution rate in the most recent fiscal year. The State contributed 30% of the actuarially determined 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 2029. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2029 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of Net Pension Liability – the following presents the net pension liability of TPAF as of June 30, 2016 calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

	At 1% Decrease	At current discount rate	At 1% increase
TPAF	\$94,378,0176,033	\$79,028,907,033	\$66,494,248,033

### C. TEACHERS PENSION AND ANNUITY FUND (CONT'D)

Components of Net Pension Liability – The components of the net pension liability for TPAF, including the State of New Jersey, at June 30, 2016 is as follows:

Total pension liability \$ 101,746,770,000 Plan fiduciary net position 22,717,862,967

Net pension liability <u>\$ 79,028,907,033</u>

Plan fiduciary net position as a percentage of the total pension liability

22.33%

### D: DEFINED CONTRIBUTION RETIREMENT PLAN

The Defined Contribution Retirement Plan (DCRP) is a multiple employer defined contribution plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the DCRP are as follows:

Plan Membership and Contributing Employers- Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least \$5,000 annually. At June 30, 2016, the membership in the DCRP, based on the information within the Division's database, was 46,557.

Contribution Requirement and Benefit Provisions - State and local government employers contribute 3% of the employee's base salary. Active members contribute 5.5% of base salary.

Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

The District reported no employees enrolled in the DCRP, during the 2016-17 fiscal year.

### **NOTE 7. POST- RETIREMENT BENEFITS**

The State of New Jersey sponsors and administers the post-employment health benefits program for school districts. Free coverage is provided to members of the TPAF who retire after accumulating 25 years of credited service or on a disability retirement. The State is also responsible for the costs attributable to Chapter 126, P.L. 1992, 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 or on a disability retirement if the member's employer does not provide this coverage. Pursuant to P.L 2007, c.103, separate funds outside the pension plans were established for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees.

The Division of Pensions issues a publicly available financial report that includes the financial statements and required supplementary information for the Health Benefits Program Fund – Local Government.

This report may be accessed via the Division of Pensions and Benefits website, at <a href="https://www.state.nj.us/treasury/pensions">www.state.nj.us/treasury/pensions</a>, or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

At June 30, 2016, there were approximately 110,512 retirees receiving State paid post retirement health benefits, and the State contributed \$1.37 billion on their behalf. The cost of these benefits is funded through contributions by the state in accordance with P.L. 1994, c.62. Funding of post retirement medical benefits was changed from a pre-funding basis to a pay-as-you-go basis in Fiscal Year 1994.

The State is also responsible for the costs attributable to Chapter 126, P.L. 1992, which provides paid health benefits to members of PERS and the Alternate Benefit Program who retired form a board of education or county college with 25 years of service. The State paid \$214.1 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.

The State's contributions to the Health Benefits Program Fund on-behalf of the District for TPAF retiree health benefits, for the last three years, is as follows:

### **Contribution Requirements**

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

Year Funding	Annual Post Retirement Medical Cost (APC)	Percentage of APC Contributed		Net Pension <u>Obligation</u>
6/30/17	\$ 4,515,161	100	%	0
6/30/16	4,573,206	100		0
6/30/15	4,234,346	100		0

The amounts of State contributions to the Health Benefits Program Fund on-behalf of the District for PERS retiree health benefits has not been made available.

### NOTE 8. COMPENSATED ABSENCES

The District accounts for compensated absences (e.g. unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB16), "Accounting for compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and accumulate for use in future years. Upon the attainment of specified years of service or upon reaching normal retirement age, employees become eligible to receive compensation for unused accumulated sick leave. The specific terms for eligibility and compensation are governed by the various collective bargaining agreements and employment contract. Generally, payments are based upon a set amount per day of earned and unused sick pay, with a cap on the maximum number of days subject to reimbursement.

In the district-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

### NOTE 9. DEFERRED COMPENSATION

The Board offers its employees a choice of various 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:

Alliance Capital
Great American Life
Equi-Vest (Equitable)
MetLife Investors Group
American Express
Valic
Metropolitan Life Ins. Co.
Washington National Ins. Co.
Pridential Ins. Co.

### NOTE 10. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education of the School District of South Orange and Maplewood, in the amount of \$1,000.00 by Board motion on November 16,1998 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.

### NOTE 10. CAPITAL RESERVE ACCOUNT (CONT'D.)

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submissions of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

At June 30, 2016, the balance in the Capital Reserve Account was \$1,977,406. Of this total, \$1,900,000 has been appropriated for capital expenditures in the 2016-17 budget. The Board approved a resolution transferring \$1,767,778 to the capital reserve at June 30, 2016, providing a balance of \$1,845,184 for the funding of future capital projects.

### NOTE 11. RISK MANAGEMENT

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

<u>Property and Liability Insurance</u> – The District maintains commercial insurance coverage for property, liability 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 following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

Fiscal Year	District Contributions	Employee Contributions & Interest Earnings	Amount Reimbursed/ Accrued	Ending Balance
2016-2017	0	\$204,061	\$143,706	\$767,576
2015-2016	0	22,266	91,395	707,221
2014-2015	0	190,175	129,490	776,350

### NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

The District had no outstanding interfund balances at June 30, 2017. All balances from the prior year were cleared by cash transfers during the current period.

### NOTES TO FINANCIAL STATEMENTS

### **NOTE 13.**

Inventory in the Food Service Fund at June 30, 2017 consisted of the following:

Purchased:

Food \$5,830.40 Supplies 3,806.79

\$ 9,637.19

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Act) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the basic financial statements. Total USDA commodities accepted in 2016-17 was \$145,097.52.

### NOTE 14. FUND BALANCES RESERVED AND DESIGNATED

### General Fund:

Committed, Assigned & Restricted - Of the \$10,550,708.05 total General Fund balance at June 30, 2017, \$1,905,619.37 is committed for year-end encumbrances; \$1,845,184 has been restricted in the Capital Reserve Account; \$2,389,338.21 has been restricted as a reserve for excess surplus and has been designated for 2017-18 expenditures; \$2,389,338.22 has been restricted as Excess Surplus and will be designated for 2018-19 expenditures; and the remaining \$1,021,228.25 is reported as unassigned.

In accordance with *N.J.S.A.* 18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus as set forth above 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 balance the fiscal year end of June 30 for future tax relief to the extent that unrestricted/unassigned fund balance exceeds 2% of the prior year net adjusted expenditures.

<u>Unassigned/Unrestricted</u>: - The District's budget and the designation of surplus are based upon the budgetary basis of accounting, and include revenue recognition for certain state aid payments that are not permitted under GAAP. The District's revenues, expenditures and changes in fund balance on the budgetary basis is set forth as Exhibit C-1 in the required supplementary information section of the CAFR.

The following is a Recapitulation of Unreserved/Undesignated General Fund Balance:

Unreserved/Undesignated Fund Balance (Exhibit C-1) \$2,943,701.25

Less:

State Aid Payments not Recognized – GAAP (1,922,473.00)

Unreserved/Undesignated Fund Balance (Exhibit B-1) \$1,021,228.25

### NOTE 14. FUND BALANCES RESERVED AND DESIGNATED (CONT'D.)

### Capital Projects Fund:

<u>Assigned</u> - Of the \$4,571,828.12 total Capital Projects Fund balance at June 30, 2017, the entire balance is assigned to Capital Projects expenditures on approved projects.

### NOTE 15. DEFICIT FUND BALANCES

P.L. 2003, c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the state is recording the last state aid payments and the extraordinary aid payment in the subsequent fiscal year, the school district cannot recognize these payments on the GAAP financial statements until the year the State records the payable.

While timing differences in the recording of state aid payment in accordance with GASB 33 can result in reported deficits in the General and Special Revenue Funds, these timing related deficits do not alone indicate that the district is facing financial difficulties

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action.

The District reported a deficit fund balance of (\$5,940.00) at June 30, 2017 in its Special Revenue Fund. This amount reflects the deferred revenue recognition for a portion of its State Preschool Aid based upon the criteria discussed above. The deferred payment was received in July 2017.

### NOTE 16. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c73 (S1701), the designation for Restricted Fund Balance – Reserve for 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 for tax relief in future budgets if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The total excess fund balance at June 30, 2017 is \$4,778,676.4362. A detailed calculation of the \$2,389,338.22 excess surplus resulting from 2016-17 operations, which will provide tax relief in the 2018-19 budget, is included in the Auditor's Management Report on file with the Board Secretary.

### **NOTE 17. TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The Division of Local Government Services, in the Department of Community Affairs, State of New Jersey, requires each municipality to submit annually a "User Friendly Budget", which, among other disclosures, includes a listing of all properties which have been granted tax abatements, including assessed values and any In-Lieu-Of-Tax-Payments made to the municipality. The 2017 User Friendly Budget for Maplewood Township indicates PILOT billings for 2017 were \$366,779; whereas the amount of property taxes that otherwise may have been billed based upon the assessed valuations of these projects is calculated to be \$899,295. The Township also indicates that in most cases these housing projects would not have taken place without the benefit of the tax abatement program. The 2017 User Friendly Budget for South Orange Village Township indicates PILOT billings for 2017 were \$1,456,919; whereas the amount of property taxes that otherwise may have been billed based upon the assessed valuations of these projects is calculated to be \$4,700,975. The Township also indicates that in most cases these housing projects would not have taken place without the benefit of the tax abatement program.

### NOTE 18. COMMITMENTS AND CONTINGENCIES

<u>Federal and State Assistance Programs</u> - The Board participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives.

The Board has litigation pending at June 30, 2017 consisting primarily of claims covered by and defended by the New Jersey School Board Association Insurance Group (NJSBAIG) and by commercial insurers and re-insurers engaged by NJSBAIG. The Board has not been advised of any claim or claims with a potential to pierce the District's per occurrence or aggregate policy limits.

### **NOTE 19. SUBSEQUENT EVENTS**

No events have occurred subsequent to the close of the fiscal year that requires disclosure herein.

### REQUIRED SUPPLEMENTARY INFORMATION

### PART II

### BUDGETARY COMPARISON SCHEDULES SECTION - C

Exhibit C-1 Page 1 of 10

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD BUDGETARY COMPARISON SCHEDULE

GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2017

1,515,161.00 14,689,711.47 91,910.00 5,229,408.00 3,453,845.21 98,619.26 99,967.40 189,474.00 98,619.26 495,790.60 595,758.00 515,536.00 13,995,334.2 Final to Actual (Unfavorable) Favorable Variance 69 71,680.00 132,069,589.47 1,515,536.00 3,583,657.00 70,160.00 70,160.00 4,515,161.00 5,229,408.00 169,253.26 169,253.26 111,726,677.00 299,967.40 187,988.00 91,910.00 112,597,435.00 323,922.00 3,453,845.21 189,474,00 570,790.60 19,302,901.21 Actual S 117,379,878.00 3,583,657.00 70,160.00 70,634.00 111,726,677.00 200,000.00 112,001,677.00 323,922.00 00.000,000,1 187,988.00 70,160.00 71,680.00 5,307,567.00 70,634.00 75,000.00 Budget Final 69 Transfers Budget 70,160.00 70,160.00 5,307,567.00 117,379,878.00 00.000,000,1 3,583,657.00 187,988.00 71,680.00 70,634.00 70,634.00 200,000.00 111,726,677.00 75,000.00 112,001,677.00 323,922.00 Original Budget Reimbursed TPAF Social Security Contributions (Non-Budgeted) Teacher's Pension & Annuity Fund (On-Behalf-Non-Budgeted) TPAF - Post Retirement Medical (On-Behalf - Non-Budgeted) On Behalf TPAF Non-contributory Insurance (non-budgeted) Other State Aid - PARCC Readiness Aid Other State Aid - Per Pupiil Growth Aid Professional Learning Community Aid Nonpublic School Transportation Aid Special Education Categorical Aid Categorical Transportation Aid Medicaid Reimbursement Fotal - Federal Sources Fotal - Local Sources Tuition-Individuals Fotal State Sources Extraordinary Aid Federal Sources: Local Tax Levy **Total Revenues** Miscellaneous Local Sources: State Sources: Security Aid REVENUES:

### Exhibit C-1 Page 2 of 10

		Original Budget	Budget Transfers		Final Budget	Ac	Actual	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES:								
Current Expense:								
Regular Programs - Instruction:								
Kindergarten - Salaries of Teachers	<del>6∕</del> 3	2,003,090.00	\$ (3,883.00)	\$ (00:	1,999,207.00	 	,999,207.00	•
Grades 1-5 - Salaries of Teachers		12,448,407.00	(396,327.48)	.48)	12,052,079.52	11,	1,707,021.09	345,058.43
Grades 6-8 - Salaries of Teachers		7,772,861.00	(129,622.00)	(00:	7,643,239.00	7,0	7,643,239.00	•
Grades 9-12 - Salaries of Teachers		9,915,361.00	88,212.00	00.	10,003,573.00	6	9,926,151.00	77,422.00
Regular Programs - Home Instruction:								
Salaries of Teachers		200,000.00	(120,000.00)	(00:	80,000.00		20,635.00	59,365.00
Regular Programs - Undistributed Instruction::								
Other Salaries for Instruction		355,347.00	(68,234.43)	.43)	287,112.57		111,726.60	175,385.97
Purchased Professional-Educational Services		435,000.00			435,000.00		383,882.79	51,117.21
Purchased Technical Services		1,800,000.00	303,708.04	.04	2,103,708.04	2,	2,025,592.21	78,115.83
Other Purchased Services (400-500 series)		501.00	31	31.68	532.68		84.86	447.82
General Supplies		967,911.00	(99,539.16)	.16)	868,371.84		764,074.08	104,297.76
Textbooks		388,451.00	204,822.65	.65	593,273.65	,	468,941.89	124,331.76
TOTAL REGULAR PROGRAMS - INSTRUCTION		36,286,929.00	(220,831.70)	(02:	36,066,097.30	35,	35,050,555.52	1,015,541.78
SPECIAL EDUCATION - INSTRUCTION								
Learning and/or Language Disabilities:							i i	
Salaries of Teachers		203,901.00	64,017.00	00	267,918.00	•	267,918.00	
Purchased Professional-Educational Services		417,150.00			417,150.00	•	368,130.36	49,019.64
General Supplies		1,700.00			1,700.00		1,591.50	108.50
Textbooks		1,000.00			1,000.00		518.00	482.00
Total Learning and/or Language Disabilities		623,751.00	64,017.00	00	687,768.00		638,157.86	49,610.14

	Original	Budget		Final Budoet	Actual	Variance Final to Actual Favorable (Unfavorable)
	and and					
Multiple Disabilities:		,	6	173 055 00	173 055 00	•
Salaries of Teachers	\$ 191,378.00	(18,323.00)		173,033.00		0 10101
Purchased Professional-Educational Services	403,250.00	377	775.00	404,025.00	357,573.37	46,451.63
Durchased Technical Services	450,717.00	(436,000.00)	(00:	14,717.00	•	14,717.00
General Sumfies	49,500.00	(19,836.10)	5.10)	29,663.90	19,303.07	10,360.83
Textbooks	2,600.00	•		2,600.00	1	2,600.00
Total Multiple Disabilities	1,097,445.00	(473,384.10)	10)	624,060.90	549,931.44	74,129.46
Resource Room/Resource Center:						
Salaries of Teachers	7,224,326.00	(66,406.00)	5.00)	7,157,920.00	7,013,419.00	144,501.00
Purchased Professional-Educational Services	2,184,787.00		,	2,184,787.00	1,928,751.33	256,035.67
General Sumlies	5,000.00	1,123.70	3.70	6,123.70	4,327.85	1,795.85
Textbooks	2,000.00			2,000.00	232.98	1,767.02
Total Resource Room/Resource Center	9,416,113.00	(65,282.30)	2.30)	9,350,830.70	8,946,731.16	404,099.54
Auficim.						
Automit. Directored Declarational Educational Services	•	60.573.07	3.07	60,573.07	58,451.00	2,122.07
Control Counties	•	24	243.75	243.75	•	243.75
Total Auficia	,	60,816.82	5.82	60,816.82	58,451.00	2,365.82
Prachad Disabilities - Full-Time:						
Colorino of Toochare	401.926.00	131,278.00	3.00	533,204.00	533,204.00	•
Directored Drofessional-Educational Services	311.015.00			311,015.00	305,645.77	5,369.23
Canaral Sumuliae	30,900.00		,	30,900.00	•	30,900.00
Concrete Supplies Toll-Time	743,841.00	131,278.00	8.00	875,119.00	838,849.77	36,269.23
TOTAL SPECIAL EDUCATION - INSTRUCTION	11,881,150.00	(282,554.58)	4.58)	11,598,595.42	11,032,121.23	566,474.19
Racic Stills/Remedial - Instruction						
Salaries of Teachers	793,717.00	491,502.00	2.00	1,285,219.00	1,204,470.26	80,748.74
Other Salaries for Instruction	53,705.00	(42	(421.00)	53,284.00	53,284.00	•
General Sumplies	25,000.00	(7,534.38)	4.38)	17,465.62	11,763.95	5,701.67
Textbooks	8,000.00	(5,080.00)	0.00)	2,920.00	1,920.00	1,000.00
Total Basic Skills/Remedial - Instruction	880,422.00	478,466.62	6.62	1,358,888.62	1,271,438.21	87,450.41

Exhibit C-1 Page 4 of 10

FOR THE FIS	FOR THE FISCAL YEAR ENDED JUNE 30	JUNE 30, 20	<b>S</b> I					Variance
		•		į	-			Final to Actual
	Original. Budget	Buc Tran	Budget Transfers	Final Budget	ial get	Actual		(Unfavorable)
Bilingual Education - Instruction		 			000		8	
Salaries of Teachers	\$ 395,107.00	<b>6</b> ∕9	(12.00)	<del>-</del>	395,095.00	\$ 395,00	9. 9	•
Other Salaries for Instruction	39,535.00		(41.00)	•	39,494.00	39,494.00	9 6	, ,,,
Purchased Professional-Educational Services	64,890.00		1		64,890.00	57,264.72	1.72	87.5791
Other Purchased Services (400-500 series)	•		150.00		150.00	150	150.00	, 00
General Supplies	3,500.00		1		3,500.00	1,010.12	.12	2,489.88
Textbooks	3,500.00				3,500.00	3,500.00	00.	•
Other Objects	700.00		(25.00)		675.00	309	608.80	66.20
Total Bilingual Education - Instruction	507,232.00		72.00	Sí	507,304.00	497,122.64	1.64	10,181.36
School-Spon. Cocurricular Actvts Inst.				*	440	248 344	9	178 675 60
Salaries	404,478.00			4	404,478.00	215,832.40	04.7	24.555.00
Purchased Services (300-500 series)	72,000.00		(6,223.09)		65,7/6.91	51,520.74	† ;	17,062,77
Total School-Spon. Cocurricular Actyts Inst.	476,478.00		(6,223.09)	4	470,254.91	307,373.14	5.14	162,881.77
School-Spon. Cocurricular Athletics - Inst.	1		100	Ċ	00,101	141 05	136	87 616 65
Salaries	525,859.00		(1,375.00)	SO .	524,484.00	441,807.33	(S.)	62,016.03
Purchased Services (300-500 series)	196,727.00		(18,219.35)	_	178,507.65	173,262.65	2.65	5,245.00
Supplies and Materials	100,000.00		23,712.17	_	123,712.17	108,059.18	9.18	15,652.99
Other Objects	28,250.00		1,101.67		29,351.67	29,351.67	1.67	1
Total School-Spon. Cocurricular Athletics - Inst.	850,836.00		5,219.49	8	856,055.49	752,540.85	3.85	103,514.64
Community Services Programs/Operations					1	o o	Š	20120
Purchased Services (300-500 series)	81,827.00		-		81,827.00	/9,495.96	8	2,331.04
Total Community Services Programs/Operations	81,827.00		ı		81,827.00	79,495.96	5.96	2,331.04
TOTAL INSTRUCTION AND AT-RISK PROGRAMS	50,964,874.00		(25,851.26)	50,9	50,939,022.74	48,990,647.55	7.55	1,948,375.19
Undistributed Expenditures - Instruction:			(00000000000000000000000000000000000000		06 301 06	00 105 70	02.3	,
Tuition to Other LEAs Within the State - Regular	50,000.00		(29,894.30)		20,105.70	20,10	5.70	
Truition to Other LEAs Within the State - Special	1,820,315.00	•	113,254.96	1,9	1,933,569.96	1,921,198.91	8.91	12,371.05
Truition to County Voc. School Dist Regular	103,000.00		7,867.00	_	110,867.00	99,286.50	6.50	11,580.50
Tuition to County Voc. School Dist Special	80,000.00		(38,000.00)		42,000.00	25,200.00	0.00	16,800.00
Twition to CSD & Regional Day Schools	41,250.00	•	26,200.00		67,450.00	67,450.00	0.00	
Tuition to Prot Schools for the Disabled & Other LEA - Within State	9,663,217.00		1,265,882.32	10,5	10,929,099.32	10,276,620.28	0.28	652,479.04
Tuition State Facilities	32,306.00		ı		32,306.00	32,306.00	9.00	•
Tuitoll - State Facilities Total Tindistributed Fenenditures - Instruction:	11,790,088.00		,345,309.98	13,1	13,135,397.98	12,442,167.39	7.39	693,230.59
Undistributed Expend Attend. & Social Work	1 054 487 00		92.505.00	1.1	1,146,992.00	1,146,992.00	2.00	1
Salaries	450.00		(8 43)		441.57	44	441.57	•
Supplies and Materials	00.024		9.604.00		45,654.00	45,654.00	4.00	•
Other Objects	1 090 987 00		102,100,57		1,193,087.57	1,193,087.57	7.57	•
Total Undistributed Expend Attend. & Social Work								

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									Variance Final to Actual
		Original		Budget		Final			Favorable
	,	Budget		Transfers		Budget		Actual	(Unfavorable)
Undist. Expend Health Services	¥	1 012 304 00	€.	(7.376.00)	69	1,004,928.00	€	1,004,928.00	1
Salaries	9	50.500.00	<del>)</del>	8,250.00	<b>,</b>	58,750.00		55,953.19	2,796.81
Furchased Professional and Lecinical Services		13,100,00		976.12		14,076.12		14,076.12	4
Supplies and Materials Total Undistributed Expenditures - Health Services		1,075,904.00		1,850.12		1,077,754.12		1,074,957.31	2,796.81
Undist. Expend Speech/Occupational Therapy, Physical Therapy & Related Serv.	Related	Serv.							
Calarias Calarias		539,007.00		(17,365.00)		521,642.00		521,642.00	•
Purchased Professional - Educational Services		1,598,700.00		(28,724.68)		1,569,975.32		1,388,966.97	181,008.35
Sunnlies and Materials		9,000.00				9,000.00		7,953.66	1,046.34
Total Undist, Expend Speech/Occ Therapy, PT & Related Serv.		2,146,707.00		(46,089.68)		2,100,617.32		1,918,562.63	182,054.69
Undist. Expend Guidance Services								00 000	
Salaries of Other Professional Staff		1,572,012.00		(47,539.00)		1,524,473.00		1,524,473.00	•
Salaries of Secretarial and Clerical Assistants		272,408.00		(44,853.00)		227,555.00		227,555.00	
Purchased Professional - Educational Services		2,500.00		(1,055.52)		1,444.48		1,444.48	• • •
Sumplies and Materials		5,191.00		(223.53)		4,967.47		4,782.81	184.66
Other Ohiects		6,500.00		(687.37)		5,812.63		5,214.10	598.53
Total Undist. Expend Guidance Services		1,858,611.00		(94,358.42)		1,764,252.58		1,763,469.39	783.19
Undist. Expend Child Study Teams									
Salaries of Other Professional Staff		2,254,199.00		(152,454.00)		2,101,745.00		2,101,745.00	•
Salaries of Secretarial and Clerical Assistants		205,066.00		(1,967.00)		203,099.00		203,099.00	, ,
Purchased Professional - Educational Services		76,000.00		25,857.40		101,857.40		101,332.58	524.82
Misc Purchased Services (400-500 series Other Than Residential)		2,300.00		1,883.92		4,183.92		4,171.18	12.74
Cumilian and Materials		23,500.00		(4,617.27)		18,882.73		15,261.63	3,621.10
Total Undist. Expend Child Study Teams		2,561,065.00		(131,296.95)		2,429,768.05		2,425,609.39	4,158.66
Undist. Expend Improvement of Inst. Serv.		964 545 00		120 746 25		1.085.291.25		1,058,850.59	26,440.66
Salaries of Supervisor of Instruction		208 710 00		•		208,710.00		208,710.00	,
Salaries of Other Professional Stall		145 949 00		(21.282.00)		124,667.00		124,667.00	1
Salaries of Secrand Cierical Assist.		425 200 00		41,767.10		466,967.10		405,710.31	61,256.79
Purchased Prof. Educational Services		7 700 00		8,617.81		16,317.81		6,413.88	9,903.93
Other Puren Services (400-300 Series - Other Attant 777)		17,300.00		722.07		18,022.07		11,761.60	6,260.47
Supplies and Materials Other Objects		17,751.00		(3,458.50)		14,292.50		7,358.50	6,934.00
Total Indist. Expend Improvement of Inst. Serv.		1,787,155.00		147,112.73		1,934,267.73		1,823,471.88	110,795.85
1000 Charles and property of the control of the con									

	Original		Budget		Final D. dzet	A	Variance Final to Actual Favorable
we we will the Manager Come Coth Titheore	Budget	1	I ransiers		Dunger	CACHE III	
Undist, Expend Edit. Media Serv./Scii. Edutary	\$ 1.196.556.00	\$ 00	90,098.00	€9	1,286,654.00	\$ 1,286,654.00	
Salaries Somiton (ADD 500 carios)	•		23,365.00		123,665.00	123,665.00	•
Uner Furchased Services (+00-500 series)	154,919.00	: 8	(21,537.68)		133,381.32	109,416.65	23,964.67
Supplies and Materials Total Undiet Evnand - Edn. Media Serv /Sch. Library	1,451,775.00	  s	91,925.32		1,543,700.32	1,519,735.65	23,964.67
Indist. Expend Instructional Staff Training Serv.		   					
Salaries of Supervisors of Instruction	124,596.00	00	(124,596.00)			1	1
Salaries of Secretarial and Clerical Assistants	2,500.00	00	•		2,500.00	2,500.00	1
Other Objects	10,840.00	8	(1,785.63)		9,054.37	3,128.28	5,926.09
Total Indist Expend Instructional Staff Training Serv.	137,936.00	  s	(126,381.63)		11,554.37	5,628.28	5,926.09
Undist, Expend Supp. Serv General Admin.							
Salaries	872,825.00	8	(47,921.00)		824,904.00	824,904.00	•
Salaries of Attorneys	152,872.00	00	(90,577.00)		62,295.00	62,295.00	,
Jamiles Of Attorneys	100,900.00	00	248,967.61		349,867.61	349,777.61	00'06
Legal Selvices	00'000'09	00	(3,839.00)		56,161.00	56,161.00	•
Audil 1 ccs	350,000.00	00	101,380.12		451,380.12	135,190.64	316,189.48
Architectular/Linguisco ing Services Other Durchased Professional Services	23,500.00	00	(500.00)		23,000.00	16,609.20	6,390.80
Communications/Telenhone	167,500.00	00	34,794.49		202,294.49	202,294.49	•
Miscallaneous Purchased Services (400-500 series other than 530/585)	65,283.00	00	8,584.47		73,867.47	73,172.80	694.67
Congress Complies	28,725.00	00	(10,365.74)		18,359.26	15,069.44	3,289.82
Octicial Supplies DOE In House Training/Meeting Sumplies	23,000.00	00	4,642.50		27,642.50	23,477.50	4,165.00
Total and American the School Dietrict	150,000.00	8	90,000.00		240,000.00	209,070.32	30,929.68
Jungellietits Against air School Eisare.	244,499.00	00	(102,548.49)		141,950.51	94,479.58	47,470.93
POE Membershin Dijes and Fees	30,000.00	00	(858.34)		29,141.66	28,157.70	983.96
DOE Internoceant Cass and reco	2,269,104.00	8	231,759.62		2,500,863.62	2,090,659.28	410,204.34
Undist. Expend Support Serv School Admin.					4		
Salaries of Principals/Assistant Principals/Program Directors	2,849,663.00	8.	(50,129.00)		2,799,534.00	2,799,534.00	1
Salaries of Other Professional Staff	616,994.00	00:	(3,376.00)		613,618.00	613,618.00	
Salaries of Secretarial and Clerical Assistants	1,330,657.00	00:	(23,789.00)		1,306,868.00	1,292,004.88	14,863.12
Other Selezies	3,586.00	00:	•		3,586.00	1	3,586.00
Other Busheed Services (400-500 series)	156,400.00	8.	(15,700.00)		140,700.00	116,329.60	24,370.40
Office I dividable out the (100-200 series)	72,022.00	00:	(1,244.46)		70,777.54	57,935.70	12,841.84
Other Objects	1,500.00	00	ŀ		1,500.00	268.00	1,232.00
Total Undist. Expend Support Serv School Admin.	5,030,822.00	00	(94,238.46)		4,936,583.54	4,879,690.18	56,893.36

Exhibit C-1 Page 7 of 10

FORTHER	SCALY	FOR THE FISCAL YEAR ENDED JUNE 30, 201	N T	7707					Variance
									Final to Actual
		Original Budget		Budget Transfers		Final Budget		Actual	Favorable (Unfavorable)
Undistributed Expenditures - Central Services		<b>a</b>							
Salaries	\$	952,313.00	<b>€</b>	982.00	<del>6∕3</del>	953,295.00	<del>69</del>	953,295.00	1
Purchased Technical Services		65,000.00		•		65,000.00		63,764.52	1,235.48
Misc Purch Services (400-500 Series)		17,500.00		(9,102.12)		8,397.88		3,181.21	5,216.67
Simplies and Materials		20,999.00		(699.15)		20,299.85		18,444.15	1,855.70
Miscellaneous Expenditures		12,000.00		2,000.00		14,000.00		13,357.99	642.01
Total Undistributed Expenditures - Central Services		1.067,812.00		(6,819.27)		1,060,992.73		1,052,042.87	8,949.86
Undistributed Expenditures - Admin. Info. Tech.									
Salaries		313,257.00		(2,647.00)		310,610.00		310,610.00	•
Other Purchased Services (400-500 series)		200,000.00		8,030.37		208,030.37		202,399.79	5,630.58
General Sumplies		90,000.00		Ī		90,000.00		32,420.26	57,579.74
Total Undistributed Expenditures - Admin. Info. Tech.		603,257.00		5,383.37		608,640.37		545,430.05	63,210.32
Undist, ExpendRequired Maintenance for School Facilities									
Cleaning, Repair & Maint. Services		1,754,415.00		1,398,020.96		3,152,435.96		2,972,139.19	180,296.77
General Supplies		194,934.00		934,349.94		1,129,283.94		1,101,064.12	28,219.82
Total Undist. ExpendRequired Maintenance for School Facilities		1,949,349.00		2,332,370.90		4,281,719.90		4,073,203.31	208,516.59
Undist. Expend Custodial Services									
Salaries		855,485.00		(6,394.00)		849,091.00		849,091.00	•
Purchased Professional and Technical Services		4,520,000.00		(255,015.08)		4,264,984.92		4,264,906.92	78.00
Cleaning, Repair and Maintenance Services		748,702.00		(139,929.39)		608,772.61		554,376.65	54,395.96
Other Purchased Property Services		170,000.00		(1,838.70)		168,161.30		157,354.30	10,807.00
Insurance		610,920.00		•		610,920.00		610,920.00	•
Miscellaneous Purchased Services		4,000.00		1,437.50		5,437.50		5,437.50	•
General Supplies		332,800.00		281,116.24		613,916.24		587,552.74	26,363.50
Energy - Natural Gas		1,300,000.00		(438,951.12)		861,048.88		814,723.54	46,325.34
Energy - Electricity		1,252,500.00		(352,942.18)		899,557.82		857,757.13	41,800.69
Total Undist. Expend Custodial Services		9,794,407.00		(912,516.73)		8,881,890.27		8,702,119.78	179,770.49
Undistributed Expenditures - Care and Upkeep of Grounds		111 501 00		36 617 98		138 118 98		126 049 38	12.069.60
Cleaning, Kepair, and Maintenance Services		111 501 00		26,617.98		138 118 98		126.049.38	12,069.60
Lotal Undistributed Expenditures - Care and Opicer of Oronnas [Indistributed Expenditures - Security		201100111							
Purchased Professional & Technical Services		430,000.00		(72,410.00)		357,590.00		352,515.96	5,074.04
Cleaning, Repair, and Maintenance Services		313,000.00		(6,768.00)		306,232.00		266,471.77	39,760.23
Total Undistributed Expenditures - Security		743,000.00		(79,178.00)	ł	663,822.00		618,987.73	44,834.27
Total Undist. Expend Oper. & Maint. Of Plant		12,598,257.00		1,367,294.15		13,965,551.15		13,520,360.20	445,190.95

Exhibit C-1

BOARD OF EDUCATION

BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD BUDGETARY COMPARISON SCHEDULE CENEDAL FILEN	BOARD OF EDUCATION STRICT OF SOUTH ORANGE AND ME BUDGETARY COMPARISON SCHEDULE	A AND MAPLEWOOD IEDULE			Page 8 of 10
FOR THE FISC	FOR THE FISCAL YEAR ENDED JUNE 30, 2017	NE 30, 2017			Variance
					Final to Actual
	Original Budget	Budget Transfers	Final Budget	Actual	Favorable (Unfavorable)
ation Serv.	\$ 218,005.00	\$ 2,548.00		\$ 220,553.00	•
Salaries of Non-instructional Aides		9)	304,755.00	304,755.00	ı
Sal. For Pup. Halls. (Det. House and School) - Special	199,028.00	58,811.00	257,839.00	257,839.00	•
Sal For Pup, Trans. (Other than Bet. Home and School)	52,531.00	·	52,531.00	52,531.00	- 00 00
Management Fees - ESC & CTSA Transportation Programs	60,000.00	(5,819.47)	54,180.53	93.192.26	-
Cleaning, Repair and Maintenance Services	150,000.00	(386.326.40)	313,673.60	313,673.60	•
Contracted Services - Aid In Lieu of Payment for Non-Public Students	566 500 00	(31,796.80)	534,703.20	534,703.20	
Contract Services - (Between Home and Scilou) - Vendors	120,300.00	(7,974.24)	112,325.76	112,325.76	- 000
Contract Services (United union Detween Trains & Contract Services)	3,024,749.00	161,716.59	3,186,465.59	3,184,665.59	1,800.00
Miscellaneous Purch. Services-Transportation	27,214.00	(27,214.00)	• 60	- 00 007	
General Supplies	00.009	- 30	600.00	815.87	. ,
Transportation Supplies	2,300.00	(1,484.13)	33 166 60	33.166.60	•
Other Objects	00 057 387 5	(321 948 59)	5,164,801.41	5,162,911.41	1,890.00
Total Undist. Expend Student Transportation Serv.	00.00.001.00				
UNALLOCATED BENEFITS	00 000 27	ı	00 000 99	65,000.00	ī
Group Insurance	65,000.00	(250,000,00)	750,000.00	719,999.78	30,000.22
Social Security Contributions	950,000,000	(18,074.23)	931,925.77	894,367.41	37,558.36
Other Retirement Contributions - PEKS	450,000.00	(328,925.77)	121,074.23	121,074.23	, ,
Unemployment Compensation	602,625.00	(125,277.91)	477,347.09	377,315.97	100,031.12
Workmen's Compensation  Health Renefits	13,571,006.00	(115,200.00)	13,455,806.00	11,459,635.03	1,996,170.97
Tuition Reimblusement	150,000.00	•	150,000.00	97,034.29	175 975 50
Other Employee Benefits	448,305.00	(00,000,00)	448,303.00	00.697.07	21,201.00
Unused Sick Payment to Terminated/Retired Staff	134,000.00	(42,000.00)	16 491 458 09	14.127,605.21	2,363,852.88
TOTAL UNALLOCATED BENEFITS	17,370,936.00	-		5,229,408.00	(5,229,408.00)
On-behalf TPAF Pension Contributions (non-budgeted)		•	1	4,515,161.00	(4,515,161.00)
On-behalf TPAF OPEB (Post Retire. Medical) Contrib (11011-budgeted)	ı		1	3,453,845.21	(3,453,845.21)
Reimbursed TPAF Social Security Collisions (non-budgeted)		•	1	189,474.00	(189,474.00)
On Behalf IPAF Non-contributory insurance (non-congruent) TOTAL ON-BEHALF CONTRIBUTIONS	4	,	1	13,387,888.21	(13,387,888.21)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	17,370,936.00	(879,477.91)	16,491,458.09	27,515,493.42	(11,024,035.33)
TOTAL UNDISTRIBUTED EXPENDITURES	68,327,166.00	1,592,124.95	69,919,290.95	78,933,276.90	(9,013,985.95)
TOTAL GENERAL CURRENT EXPENSE	119,292,040.00	1,566,273.69	120,858,313.69	127,923,924.45	(7,065,610.76)

hibit C-1	ne 9 of 10
Exhit	Page

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD BUDGETARY COMPARISON SCHEDULE

BUDGETA	BUDGETARY COMPARISON SCHEDULE GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2017 Original Budge	EDULE NE 30, 2017 Budget	Final	,	Variance Final to Actual Favorable
	Budget	Transfers	Budget	Actual	(Olliavorable)
CAPITAL OUTLAY School Buses - Regular		308,540.16	308,540.16 308,540.16	308,540.16 308,540.16	
Facilities Acquisition and Construction Services Assessment for Debt Service on SDA Funding	68,186.00		68,186.00	68,186.00	1
Total Facilities Acquisition and Construction Services TOTAL CAPITAL OUTLAY TOTAL EXPENDITURES	68,180.00 68,186.00 119,360,226.00	308,540.16	376,726.16 121,235,039.85	376,726.16 128,300,650.61	(7,065,610.76)
Other Financing Uses: Transfer of Funds to Charter Schools	295,546.00	(26,741.00)	268,805.00 1,900,000.00	263,831.00 1,900,000.00	4,974.00
Capital Reserve Fransier to Capital Frogres TOTAL EXPENDITURES AND FINANCING USES	119,655,772.00	3,748,072.85	123,403,844.85	130,464,481.61	(7,060,636.76)
Excess (Deficiency) of Kevenues Over (Under) Expenditures	(2,275,894.00)	(3,748,072.85)	(6,023,966.85)	1,605,107.86	7,629,074.71
Excess (Deficiency) of Revenues and Other Financing Sources Net Change in Fund Balance	(2,275,894.00)	(3,748,072.85)	(6,023,966.85)	1,605,107.86	7,629,074.71
Fund Balance, July 1	10,868,073.19		10,868,073.19	10,868,073.19	ı
Fund Balance, June 30	\$ 8,592,179.19	\$ (3,748,072.85)	\$ 4,844,106.34	\$ 12,473,181.05	7,629,074.71

Exhibit C-1	age 10 of 10
Θ	Pag

Variance Final to Actual Favorable (Unfavorable)				
Actual	\$ 1,905,619.37	1,845,184.00 1,000,000.00 2,389,338.21 2,389,338.22	2,943,701.25	(1,922,473.00) \$ 10,550,708.05
Final Budget				
Budget Transfers				
Original Budget	Recapitulation of Fund Balance: Committed: Year-End Encumbrances	Restricted: Capital Reserve Maintenance Reserve Reserve for Excess Surplus - Designated for Subsequent Year's Expenditures Reserve for Excess Surplus	Unassigned: Unrestricted Fund Balance	Reconciliation to Governmental Funds Statements (GAAP): State Aid Payments not recognized on GAAP basis Fund Balance per Governmental Funds (GAAP)

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Exhibit	Page 1

BOARD OF EDUCATION
SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD
SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED JUNE 30, 2017

	<b>ORIGINAL</b> <b>BUDGET</b>	BUDGET TRANSFERS	FINAL	ACTUAL		VARIANCE FINAL TO ACTUAL
REVENUES: Local Sources Revenues from Local Sources		\$ 529,173.60	\$ 529,173.60	\$ 169,581.78	8	(359,591.82)
Total Local Revenues	•	529,173.60	529,173.60	169,581.78		(359,591.82)
State Sources Preschool Education Aid Nonpublic Textbooks Nonpublic Auxiliary Services Nonpublic Handicapped Services	\$ 59,400.00 10,563.00 32,149.00 33,648.00	(822.00) 6,389.00 20,645.00	\$ 59,400.00 9,741.00 38,538.00 54,293.00	\$ 59,400.00 9,346.40 18,363.90 28,381.36	<b>⇔</b>	(394.60) (20,174.10) (25,911.64)
Nonpublic Security Aid Nonpublic Nursing Services Nonpublic Technology Initiative	4,625.00 990.00 4,810.00	3,825.00 14,220.00 3,640.00	8,450.00 15,210.00 8,450.00	8,450.00		(15,210.00) (4,091.24)
Total State Revenues	146,185.00	47,897.00	194,082.00	128,300.42		(65,781.58)
Federal Sources  Title I  Title II, Part A  Title III  Title III Immigrant IDEA Part B IDEA Preschool Perkins Vocational Education C.M. White Physical Education	\$ 358,170.00 84,113.00 16,195.00 1,263,751.00 33,848.00 29,735.00	\$ 194,934.00 62,183.00 19,525.00 10,423.00 505,726.00 46,465.00 3,770.00 108,631.88	\$ 553,104.00 146,296.00 35,720.00 10,423.00 1,769,477.00 80,313.00 33,505.00 108,631.88	536,555.77 106,448.30 32,623.95 5,519.61 1,625,787.74 12,447.62 30,534.77	<del>∽</del>	(16,548.23) (39,847.70) (3,096.05) (4,903.39) (143,689.26) (67,865.38) (2,970.23)
Total Federal Revenues  Total Revenues	1,785,812.00	951,657.88	2,737,469.88	2,458,549.62		(278,920.26)

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Exhibit	Page 2

BOARD OF EDUCATION
SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2017

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL	ACTUAL	VARIANCE FINAL TO ACTUAL
EXPENDITURES: Instruction					
Salaries of Teachers Purchased Professional and Technical Services	303,499.00	\$ 170,322.97	473,821.97	434,137.87	39,684.10
	948,648.00	321,807.00	1,270,455.00	1,208,340.39	62,114.61
Purchased Educational Services	82,040.00	214,375.00	296,415.00	296,415.00	1
General Supplies	196,986.00	38,906.40	235,892.40	192,051.54	43,840.86
Textbooks Other Objects	10,563.00	(822.00) 62,102.00	9,741.00 62,102.00	9,346.40 53,326.94	394.60 8,775.06
Total Instruction	1,541,736.00	808,691.37	2,350,427.37	2,193,618.14	156,809.23
Support Services Salaries of Other Professional Staff	00 066	15 020 00	16 010 00		16 010 00
Personal Services - Employee Benefits	75 480 00	5 566 00	81 046 00	00 699 08	384.00
Purchased Professional - Educational Services	49.113.00	59.787.00	108.900.00	73.044.50	35.855.50
Other Purchased Professional Services	190,543.00	24,388.00	214,931.00	111,630.66	103,300.34
Other Purchased Services (400-500 series)	59,510.00	8,672.00	68,182.00	63,522.69	4,659.31
Supplies & Materials	10,000.00	16,236.00	26,236.00	3,939.87	22,296.13
Other Objects	4,625.00	564,878.11	569,503.11	205,410.82	364,092.29
Total Support Services	390,261.00	694,547.11	1,084,808.11	538,210.54	546,597.57
Facilities Acquisition and Construction Services: Instructional Equipment		25,490.00	25,490.00	24,603.14	886.86
Total Facilities Acquisition and Construction Services		25,490.00	25,490.00	24,603.14	886.86
Total Expenditures	1,931,997.00	1,528,728.48	3,460,725.48	2,756,431.82	704,293.66
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	- \$	· \$	٠.		

### NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART II

### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE NOTE TO RSI FOR THE YEAR ENDED JUNE 30, 2017

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

•		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue"				
from the budgetary comparison schedule	(C-1)	132,069,589.47	(C-2)	2,756,431.82
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that				
encumbrances are recognized as expenditures, and the related revenue is recognized (Net)				47,292.42
State aid payment recognized for budgetary purposes,				
not recognized for GAAP statements (Net)		(515,892.00)		-
Total revenues as reported on the statement of revenues, expenditures and change in fund balances - governmental funds	(B-2)	131,553,697.47	(B-2)	2,803,724.24
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the				
budgetary comparison schedule	(C-1)	130,464,481.61	(C-2)	2,756,431.82
Difference - 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				47 202 42
for financial reporting purposes.				47,292.42
Transfers to and from other funds are presented as outflows of				
budgetary resources but are not expenditures for financial reporting purposes.				
Net transfers (outflows) to Charter School		(263,831.00)		
Net transfers (outflows) to Capital Projects Fund		(1,900,000.00)		
• • •				
Total expenditures as reported on the statement of revenues,				0.000.004.04
expenditures, and changes in fund balances - governmental funds	(B-2)	128,300,650.61	(B-2)	2,803,724.24

### REQUIRED SUPPLEMENTARY INFORMATION

### **PART III**

### SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

### SECTION - L

(Section numbering as per N.J. Department of Education 2014-2015 Audit Program)

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHEDULE OF THE DISTRICT'S SHARE OF THE NET PENSION LIABILITY PUBLIC EMPLOYEES RETIREMENT SYSTEM (Local Group)

## Last 10 Fiscal Years\*

	2013	2014	2015	$\underline{2016}$	
District's Proportion of the Net Pension Liability	0.00085318	0.00085318 0.00085264	0.00085264	0.000861607	
District's Proportionate Share of the Net Pension Liability	\$16,305,998	\$15,963,795	\$16,305,998 \$15,963,795 \$18,838,856	\$25,518,316	
District's Covered-Employee Payroll	\$5,674,766	\$5,790,577	\$5,790,577 \$ 5,896,862 \$	\$ 6,074,187	
District's Proportionate Share of the Net Pension Liability as a percentage of the Covered-Employee Payroll	287.34%	275.69%	319.47%	420.11%	
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	48.72%	52.08%	47.93%	40.14%	

\* Amounts presented for each fiscal year were determined as of June 30.

## SCHEDULE OF THE DISTRICT'S SHARE OF THE NET PENSION LIABILITY SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD PUBLIC EMPLOYEES RETIREMENT SYSTEM (Local Group) **BOARD OF EDUCATION**

## Last 10 Fiscal Years\*

	2014		<u>2015</u>	2016	2017
Contractually Required Contribution	\$ 702,906	↔	721,506	\$ 765,439	\$ 768,842
Contribution in Relation to Contractually Required Contribution	\$ (702,906)	↔	(721,506)	\$ (765,439)	\$ (768,842)
Contribution deficiency (excess)	•	<del>⇔</del>	,	· \$	i
District's Proportionate Share of the Payroll	\$5,790,577	€	5,896,862	\$ 6,074,187	\$ 5,994,161
Contributions as a percentage of Covered Employee Payroll	12.14%		12.24%	12.60%	12.83%

<sup>\*</sup> Amounts presented for each fiscal year were determined as of June 30.

# SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHEDULE OF THE DISTRICT'S SHARE OF THE NET PENSION LIABILITY TEACHERS PENSION AND ANNUITY FUND ( Non-State Employer Group)

## Last 10 Fiscal Years\*

	<u>2013</u>	<u>2014</u>	2015	<u>2016</u>
Proportion of the Non-State Employer Group Net Pension Liability attributable to the District	0.00472574	0.004873682	0.00493363	0.00479704
Share of the Liability of the State of New Jersey for the Net Pension Liability of the Non-State Employer Group	\$238,835,275	\$260,482,461	\$311,826,723	\$377,365,521
District's Covered-Employee Payroll	\$47,507,193	\$46,725,129	\$48,162,876	\$48,291,609
Share of the Liability of the State of New Jersey for the Net Pension Liability of the Non-State Employer Group as a percentage of the District's Covered-Employee Payroll	502.73%	557.48%	647.44%	781.43%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability (See Note Below)	33.76%	33.64%	28.71%	22.33%

<sup>\*</sup> Amounts presented for each fiscal year were determined as of June 30.

Note: Percentages shown are Plan-wide, and include NPL and PFNP data that include employees of the State of New Jersey.

### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHEDULE OF THE DISTRICT'S SHARE OF THE NET PENSION LIABILITY BOARD OF EDUCATION EMPLOYEES PENSION FUND OF ESSEX COUNTY

### **Last 10 Fiscal Years\***

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
District's Proportion of the Net Pension Liability	0.01314115	0.01220075	0.01120791	0.01120791
Net relision Liability	0.01314113	0.01320075	0.01130781	0.01130781
District's Proportionate Share of the				
Net Pension Liability	\$523,842	\$508,478	\$402,917	\$402,917
District's Covered-Employee				
Payroll	\$0	\$0	\$0	\$0
District's Proportionate Share of the				
Net Pension Liability as a percentage				
of the Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a				
percentage of the Total Pension				
Liability	75.92%	76.05%	N/A	N/A

<sup>\*</sup> Amounts presented for each fiscal year were determined as of June 30.

N/A-Not Available

### NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART III

#### **BOARD OF EDUCATION** SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD **COUNTY OF ESSEX, NEW JERSEY**

#### NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION **JUNE 30, 2017**

#### NOTE 1. CHANGES IN BENEFITS AND ASSUMPTIONS

Beliefits, Filialicial Statements and Supple	ed from the State of New Jersey, Division of Pension and mentary Schedules report as of June 30, 2016, dated March RSI schedules of changes in net pension liability contained
<u>PERS</u>	
Changes in benefit terms:	None
Changes in assumptions:	
2014 experience study and the mortality in MP-2014 projection scale. Further, salary 4.15% (based on age) through fiscal year year thereafter. For 2015, the discount rate was set at \$118,500 for 2015, increasing 4. pay limit was set at \$265,000 for 2015, increasing the discount rate was 5.39%.	8%, the long-term expected rate of return changed to 7.65%, accordance with the results of the July 1, 2011 – June 30, approvement scale incorporated the plan actuary's modified increases were assumed to increase between 1.65% and 2026 and 2.65% and 5.15% (based on age) for each fiscal changed to 4.90%. In addition, the social security wage base .00% per annum, compounded annually and the 401(a)(17) reasing 3.00% per annum, compounded annually, For 2014,
<u>TPAF</u>	
Changes in benefit terms:	None
Changes in assumptions:	
ruiner, the demographic assumptions were	6, the long-term expected rate of return changed to 7.65%. e revised to reflect those recommended on the basis of the y. For 2015, the discount rate changed to 4.13%. For 2014,
BOEEPFEC	
Changes in benefit terms:	None
Changes in assumptions:	Not Specified

#### **OTHER SUPPLEMENTARY INFORMATION**

## SECTION - D

## SPECIAL REVENUE FUND SECTION – E

Exhibit -E-1 Page 1 of 2

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SPECIAL REVENUE FUND COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES BUDGETARY BASIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

		FOR THE	FOR THE FISCAL YEAR ENDED JUNE 30, 2017	ENDED JUN	E 30, 2017		
	TOTAL BROUGHT FORWARD (Ex. E-1a)	TOTAL BROUGHT FORWARD (PAGE 2)	TITLE	TITLE II PART A	TITLE III	TITLE III IMMIGRANT	TOTALS
REVENUES: State Sources Federal Sources Local Sources	\$ 128,300.42 169,581.78	1,777,401.99	\$36,555.77	\$ 106,448.30	32,623.95	\$,519.61	128,300.42 2,458,549.62 169,581.78
Total Revenues	297,882.20	1,777,401.99	536,555.77	106,448.30	32,623.95	5,519.61	2,756,431.82
EXPENDITURES: Instruction: Salaries of Teachers Purch. Prof. & Tech. Services Purch. Prof Educ. Services Other Purchased Sevices (Incl. Tuition) General Supplies Textbooks Other Objects	19,058.90 38,840.39 87,144.73 9,346.40	12,499.97 296,415.00 1,169,500.00 17,500.77 50,687.56	382,669.00		9,640.95	2,880.23	434,137.87 296,415.00 1,208,340.39 192,051.54 9,346.40 53,326.94
Total Instruction	154,390.42	1,546,603.30	457,553.86		29,550.95	5,519.61	2,193,618.14
Support Services: Personal Services - Empl. Benefits Purch. Prof Educ. Services Other Purch. Prof. Services Supplies and Materials Other Objects	34,058.76	954.00 110,063.66 95,177.89	78,202.00	73,044.50 29,463.93 3,939.87	1,506.00		80,662.00 73,044.50 175,153.35 3,939.87 205,410.82
Total Support Services	143,491.78	206,195.55	79,001.91	106,448.30	3,073.00		538,210.54
Facilities Acquis. & Const. Serv.: Noninstructional Equipment Instructional Equipment		24,603.14					24,603.14
Total Facil. Acquis. & Const. Serv. Total Expenditures	\$ 297,882.20	24,603.14	\$ 536,555.77 \$ 106,448.30 \$	106,448.30	32,623.95	5,519.61 \$	2,756,431.82

Exhibit - E-1 Page 2 of 2

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SPECIAL REVENUE FUND COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

TOTAL CARRIED FORWARD	1,777,401.99	1,777,401.99	12,499.97 296,415.00 1,169,500.00 17,500.77	50,687.56	1,546,603.30	954.00	95,177.89	206,195.55	24,603.14	24,603.14	1,777,401.99
PERKINS VOC.ED	30,534.77	30,534.77	5,931.63		5,931.63				24,603.14	24,603.14	30,534.77 \$
IDEA PRESCHOOL	\$ 12,447.62	12,447.62	5,867.64	6,579.98	12,447.62						12,447.62 \$
IDEA PART B	\$ 1,625,787.74	1,625,787.74	296,415.00 1,169,500.00 5,701.50	44,107.58	1,515,724.08	110,063.66		110,063.66			1,625,787.74 \$
C.N. WHITE PHYS. ED.	108,631.86	108,631.86	12,499.97		12,499.97	954.00	95,177.89	96,131.89			108,631.86
	REVENUES: State Sources Federal Sources Local Sources	Total Revenues	EXPENDITURES: Instruction: Salaries of Teachers Purch, Prof. & Tech. Services Purch, Prof Educ. Services Other Purchased Sevices (Incl. Tuition) General Supplies	l extbooks Other Objects	Total Instruction	Support Services: Personal Services - Empl. Benefits Purch. Prof Educ. Services Other Purch. Prof. Services	Supplies and Materials Other Objects	Total Support Services	Facilities Acquis. & Const. Serv.: Noninstructional Equipment Instructional Equipment	Total Facil. Acquis. & Const. Serv.	Total Expenditures

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SPECIAL REVENUE FUND COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES BUDGETARY BASIS

## FOR THE FISCAL YEAR ENDED JUNE 30, 2017

TOTAL CARRIED FORWARD			0 297,882.20	19,058.90	38,840.39 87,144.73 0 9,346.40	0 154,390.42	34,058.76	143,491.78			10 \$ 297,882.20
N.J. NONPUBLIC TEXTBOOK AID	9,346.40 \$		9,346.40		9,346.40	9,346.40					9,346.40 \$
N.J. NONPUBLIC TECHNOLOGY INITIATIVE	4,358.76 \$		4,358.76				4,358.76	4,358.76			\$ 4,358.76 \$
PRESCHOOL EDUCATION AID (Ex. E-2)	\$ 59,400.00 \$		59,400.00		29,700.00	29,700.00	29,700.00	29,700.00			\$ 59,400.00 \$
TOTAL BROUGHT FORWARD (Ex. E-1b)	\$ 55,195.26 \$	169,581.78	224,777.04	19,058.90	38,840.39 57,444.73	115,344.02	109,433.02	109,433.02			\$ 224,777.04 \$
	REVENUES: State Sources Federal Sources	Local Sources	Total Revenues	EXPENDITURES: Instruction: Salaries of Teachers Purch. Prof. & Tech. Services	Purch. Prof Educ. Services Other Purchased Sevices (Incl. Tuition) General Supplies Textbooks Other Objects	Total Instruction	Support Services: Personal Services - Empl. Benefits Purch. Prof Educ. Services Other Purch. Prof. Services Supplies and Materials Other Objects	Total Support Services	Facilities Acquis. & Const. Serv.: Noninstructional Equipment Instructional Equipment	Total Facil. Acquis. & Const. Serv.	Total Expenditures

## Exhibit - E-1b

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SPECIAL REVENUE FUND

	Ö	SPECIAL REVENUE FUND COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES BUDGETARY BASIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017	SPECIAL REVENUE FUND CHEDULE OF PROGRAM REVENUES AND EX BUDGETARY BASIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017	ENUE FUND M REVENUES RY BASIS ENDED JUNE	: AND EXPEND 2.30, 2017	ITURES	
	TOTAL	Ľ.N	NJ NON AUXILARY CH. 192	NJ NONPUBLIC SERVICES ARY HANDIG 92 SERVICE	ERVICES HANDICAPPED SERVICES CH. 193	3	
	BROUGHT FORWARD (Ex. E-1c)	NONPUBLIC SECURITY AID	COMP. EDUCATION	SUPPL. INSTR.	EXAM. & CLASS.	CORRECTIVE SPEECH	TOTAL CARRIED FORWARD
REVENUES: State Sources	€9	\$ 8,450.00 \$	18,363.90 \$	4,551.26 \$	14,042.60 \$	9,787.50 \$	55,195.26
rederal Sources Local Sources	169,581.78				Web control of the co		169,581.78
Total Revenues	169,581.78	8,450.00	18,363.90	4,551.26	14,042.60	9,787.50	224,777.04
EXPENDITURES: Instruction: Salaries of Teachers Purch. Prof. & Tech. Services	695.00		18,363.90				19,058.90
Purch. Prof Educ. Services Other Purchased Sevices (Incl. Tuition) General Supplies Textbooks Other Objects	10,459.03			4,551.26	14,042.60	9,787.50	38,840.39
Total Instruction	68,598.76		18,363.90	4,551.26	14,042.60	9,787.50	115,344.02
Support Services: Personal Services - Empl. Benefits Purch. Prof Educ. Services Other Purch. Prof. Services Supplies and Materials Other Objects	100,983.02	8,450.00					109,433.02
Total Support Services	100,983.02	8,450.00					109,433.02
Facilities Acquis. & Const. Serv.: Noninstructional Equipment Instructional Equipment							
Total Facil. Acquis. & Const. Serv.							
Total Expenditures	\$ 169,581.78	8,450.00 \$	18,363.90 \$	4,551.26 \$	14,042.60 \$	9,787.50 \$	224,777.04

## BOARD OF EDUCATION Exhibit - E-1c DISTRICT OF SOUTH ORANGE AND MAPI-EWOOD

	Ō	SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SPECIAL REVENUE FUND COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES BUDGETARY BASIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017	SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SPECIAL REVENUE FUND INING SCHEDULE OF PROGRAM REVENUES AND EXPENDIT BUDGETARY BASIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017	CT OF SOUTH ORANGE AND SPECIAL REVENUE FUND E OF PROGRAM REVENUES. BUDGETARY BASIS FISCAL YEAR ENDED JUNE	MAPLEWOOI AND EXPENDI 30, 2017	TURES
	TOTAL BROUGHT FORWARD (Ex. E-1d)	PARENTING CENTER	EDUCATION FOUNDATION	SUSTAINABLE MR. MULTI NEW JERSEY MEDIA	MR. MULTI MEDIA	TOTAL CARRIED FORWARD
REVENUES: State Sources Federal Sources Local Sources	\$ 66,884.78	\$ 20,686.71	\$ \$7,444.73	8,106.42	\$	169,581.78
Total Revenues	66,884.78	20,686.71	57,444.73	8,106.42	16,459.14	169,581.78
EXPENDITURES: Instruction: Salaries of Teachers Purch. Prof. & Tech. Services Purch. Prof Educ. Services Other Purchased Sevices (Incl. Tuition) General Supplies Textbooks Other Objects	695.00		57,444.73			695.00 10,459.03 57,444.73
Total Instruction	11,154.03		57,444.73			68,598.76
Support Services: Personal Services - Empl. Benefits Purch. Prof Educ. Services Other Purch. Prof. Services Supplies and Materials Other Objects	55,730.75	20,686.71		8,106.42	16,459.14	100,983.02
Total Support Services	55,730.75	20,686.71		8,106.42	16,459.14	100,983.02
Facilities Acquis. & Const. Serv.: Noninstructional Equipment Instructional Equipment						
Total Facil. Acquis. & Const. Serv.				Miles Company and the Company of the Company		
Total Expenditures	\$ 66,884.78 \$	\$ 20,686.71 \$	57,444.73 \$	8,106.42 \$	16,459.14 \$	169,581.78

## Exhibit - E-1d

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SPECIAL REVENUE FUND COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

## FOR THE FISCAL YEAR ENDED JUNE 30, 2017 **BUDGETARY BASIS**

	MU	MUNICIPAL	CLINTON ACTIVITIES	SETH BOYDEN ACTIVITIES	OTHER LOCAL PROJECTS	TOTAL CARRIED FORWARD
REVENUES: State Sources Federal Sources	<del>∽</del>	<del>\$9</del>	€	<b>∽</b>	<del>∽</del>	
Local Sources		695.00	17,176.66	5,019.18	43,993.94	66,884.78
Total Revenues		695.00	17,176.66	5,019.18	43,993.94	66,884.78
EXPENDITURES: Instruction: Salaries of Teachers Purch, Prof. & Tech, Services		695.00				695.00
Other Purchased Sevices (Incl. Tuition) General Supplies Textbooks Other Objects			10,459.03			10,459.03
Total Instruction		695.00	10,459.03			11,154.03
Support Services: Personal Services - Empl. Benefits Purch. Prof Educ. Services Other Purch. Prof. Services Supplies and Materials Other Objects			6,717.63	5,019.18	43,993.94	55,730.75
Total Support Services			6,717.63	5,019.18	43,993.94	55,730.75
Facilities Acquis. & Const. Serv.: Noninstructional Equipment Instructional Equipment						
Total Facil. Acquis. & Const. Serv.						
Total Expenditures	<del>&gt;</del>	695.00 \$	17,176.66	5,019.18 \$	43,993.94 \$	66,884.78

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SPECIAL REVENUE FUND SCHEDULE OF PRESCHOOL EDUCATION AID BUDGETARY BASIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

EXPENDITURES:		BUDGETED	<u>ACTUAL</u>		<u>VARIANCE</u>
Instruction:					
Instructional Supplies	\$	29,700.00 \$	29,700.00	\$	-
Total Instruction		29,700.00	29,700.00		-
Support Services: Purchased Professional Services		20 700 00	20.700.00		
Furchased Floressional Services		29,700.00	29,700.00		en .
Total Support Services		29,700.00	29,700.00		-
Total Expenditures	\$	59,400.00 \$	59,400.00	\$	_
CALCULATION OF BUDGET AND CA	RRY	OVER:			
Total revised 2016-17 Preschool Education	n Aid	Allocation	:	\$	59,400.00
Add: Actual Carryover (June 30, 2016)					-
Add: Budgeted Transfer from the General	Fund	1 2016-17		_	-
Total Preschool Education Aid Available	for 20	16-17 Budget			59,400.00
Less: 2016-17 Budgeted Preschool Educa	tion A	Aid			(59,400.00)
Available and Unbudgeted PEA Funds at	June (	30, 2017			-
Add: June 30, 2017 Unexpended PEA				-	_
2017-18 Carryover - Preschool Aid Progr	ams		:	\$ <u></u>	~
2016-17 PEA Carryover Budgeted for 20	7-18	Preschool Programs	:	\$	

## CAPITAL PROJECTS FUND SECTION - F

\$ 26,363,971.00 \$ (1,312,496.05) \$ 25,051,394.95 \$ 16,457,350.95 \$ 1,231,638.18 \$ 17,688,989.13 \$ 7,362,405.82

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD CAPITAL PROJECTS FUND SUMMARY SCHEDULE OF PROJECT EXPENDITURES YEAR ENDED JUNE 30, 2017

DATE
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## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD CAPITAL PROJECTS FUND SUMMARY SCHEDULE OF PROJECT EXPENDITURES YEAR ENDED JUNE 30, 2017

# Reconciliation of Unexpended Project Balances to Capital Projects Fund Balance (Exhibit F-2);

Unexpended Project balances (from above):

(1,927,690.20) (21,555.00) (141,799.00) (626,065.00) (73,441.00) (27.50)

\$ 4,571,828.12

\$ 7,362,405.82

Less: Uneamed/Unrecognized State Aid Revenues:
449 Columbia High School Mechanical Upgrades
476 Seth Boyden Elem. School Barrier Free Upgrades
495 Maplewood Middle School Lab Conversion
434 Tuscan Elem. School Window Replacement
463 Jefferson Elem. School Biectrical Upgrades
Unidentified Prior Year Difference

Fund Balance-Exhibit F-2

#### SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGETARY BASIS FOR THE YEAR ENDED JUNE 30, 2017

Revenues and Other Financing Sources	
State Sources - SCC Grant	5 518,337.14
Transfers from General Fund	
Capital Outlay	
Capital Reserve	1,900,000.00
Total Revenues and Other Financing Sources	2,418,337.14
Expenditures and Other Financing Uses	
Architecture	105,166.79
Construction	1,041,659.33
Contingencies	84,812.06
Total Expenditures	1,231,638.18
Excess (Deficiency) of Revenues over (under) Expenditures	1,186,698.96
Fund Balance - Beginning	3,385,129.16
Fund Balance - Ending	4,571,828.12

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS TUSCAN ELEMENTARY SCHOOL ROOF REPLACEMENT FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>	CURRENT <u>YEAR</u>	<u>TOTAL</u>	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ - 338,955 (71,433)		\$ - 338,955 (71,433)	\$ - 338,955 (71,433)
Total Revenues	\$ 267,522	\$ -	\$ 267,522	\$ 267,522
Expenditures and Other Financing Uses: Architecture Field Rep. Construction Legal Contingencies	\$ 14,245 3,000 237,000 2,500 9,572		\$ 14,245 3,000 237,000 2,500 9,572	\$ 14,245 3,000 237,000 2,500 9,572
Total Expenditures	\$ 266,317	\$ -	\$ 266,317	\$ 266,317
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 1,205	\$ -	\$ 1,205	\$ 1,205
Additional Project information: Project Number Grant Date Bond Authorization Date Bonds Authorized Bonds Issued Original Authorized Cost Adjustment to Authorized Cost Revised Authorized Cost	4900-150-09-1000 N/A 1/19/11 338,955 338,955 338,955 (71,433) 267,522			
Percentage Change from Original Authorized Cost Percentage of Completion Original Target Completion	(21.07) 100.00%			

Completed

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## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS CLINTON ELEMENTARY SCHOOL ROOF REPLACEMENT FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>	CURRENT <u>YEAR</u>	TOTAL	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant	\$ -		\$ -	\$ -
Bond Proceeds	328,081		328,081 (83,977)	328,081 (83,977)
Transfer from (to) Other Projects Transfer from Capital Reserve Fund	(83,977)		(83,977)	(63,977)
Total Revenues	\$ 244,104	\$ -	\$ 244,104	\$ 244,104
Expenditures and Other Financing Uses:	\$ 12,180		\$ 12,180	\$ 12,180
Architecture Field Rep.	\$ 12,180 3,000		3,000	3,000
Construction	214,500		214,500	214,500
Legal	2,500		2,500	2,500
Contingencies	9,431		9,431	9,431
Total Expenditures	\$ 241,611	\$ -	\$ 241,611	\$ 241,611
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	\$ 2,493	\$	\$ 2,493	\$ 2,493
Additional Project information:				
Project Number	4900-060-10-1000			
Grant Date	N/A			
Bond Authorization Date	1/19/11			
Bonds Authorized	328,081			
Bonds Issued	328,081			
Original Authorized Cost	(83,977)			
Adjustment to Authorized Cost Revised Authorized Cost	244,104			

-25.60%

98.00%

October, 2012 Completed

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Percentage Change from

Original Authorized Cost

**Revised Target Completion** 

Percentage of Completion Original Target Completion

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS JEFFERSON ELEMENTARY SCHOOL ROOF REPLACEMENT FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR PERIODS	CURRENT <u>YEAR</u>	<u>TOTAL</u>	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources:				
State Sources - SCC Grant	\$ -		\$ -	\$ -
Bond Proceeds	351,969		351,969	351,969
Transfer from (to) Other Projects	(64,637)		(64,637)	(64,637)
Transfer from Capital Reserve Fund	-		-	
Total Revenues	\$ 287,332	<u> </u>	\$ 287,332	\$ 287,332
Expenditures and Other Financing Uses:				
Architecture	\$ 15,945		\$ 15,945	\$ 15,945
Field Rep.	3,200		3,200	3,200
Construction	255,500		255,500	255,500
Legal	1,730		1,730	1,730
Contingencies	3,767		3,767	3,767
Total Expenditures	\$ 280,142	\$ -	\$ 280,142	\$ 280,142
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	\$ 7,190	\$ -	\$ 7,190	\$ 7,190

Additional	Project information:
ъ.	1 Niverbox

Project Number	4900-090-10-1000
Grant Date	N/A
Bond Authorization Date	1/19/11
Bonds Authorized	351,969
Bonds Issued	351,969
Original Authorized Cost	351,969
Adjustment to Authorized Cost	(64,637)
Revised Authorized Cost	287,332
Percentage Change from	
Original Authorized Cost	-18.36%
Percentage of Completion	100.00%
Original Target Completion	
Revised Target Completion	Completed
	- 120 -

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS MAPLEWWOOD MIDDLE SCHOOL BLEACHER REPLACEMENT FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

		PRIOR ERIODS		RENT EAR	·	<u>TOTAL</u>		EVISED THORIZED COST
Revenue and Other Financing Sources:								
State Sources - SCC Grant	\$	-			\$	-	\$	
Bond Proceeds		217,683				217,683		217,683
Transfer from (to) Other Projects Transfer from Capital Reserve Fund	•	(8,045)			***************************************	(8,045)		(8,045)
Total Revenues		209,638	_\$			209,638	_\$	209,638
Expenditures and Other Financing Uses:								
Architecture	\$	19,244			\$	19,244	\$	19,244
Field Rep.		4,705				4,705		4,705
Construction		169,238				169,238		169,238
Equipment		-				-		-
Legal		3,500				3,500		3,500
Contingencies		8,826				8,826		8,826
Total Expenditures		205,513	\$			205,513	\$	205,513
Excess (Deficiency) of Revenue								
Over (Under) Expenditures	\$	4,125	\$	_		4,125	\$	4,125
Additional Project information:								
Project Number	4900-	040-11-1000	)					
Grant Date		N/A						
Bond Authorization Date		1/19/11						
Bonds Authorized		217,683						
Bonds Issued		217,683						
Original Authorized Cost		217,683						
Adjustment to Authorized Cost		(8,045)						
Revised Authorized Cost		209,638						*
Percentage Change from								

-3.70%

98.03%

- 121 -

July, 2012

Completed

Original Authorized Cost

**Original Target Completion** 

**Revised Target Completion** 

Percentage of Completion

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS MAPLEWOOD MIDDLE SCHOOL BATHROOM RENOVATIONS FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

		PRIOR ERIODS	CURRI <u>YE</u> A		,	<u> FOTAL</u>		EVISED THORIZED COST
Revenue and Other Financing Sources:								
State Sources - SCC Grant	\$	-			\$	-	\$	
Bond Proceeds		-				-		-
Transfer from (to) Other Projects		378,745				378,745		378,745
Transfer from Capital Reserve Fund			***************************************			_		-
Total Revenues	_\$_	380,532	\$	-	\$	378,745	_\$_	378,745
Expenditures and Other Financing Uses:								
Architecture	\$	60,052			\$	60,052	\$	60,052
Field Rep.		_						· -
Construction		267,377				267,377		267,377
Equipment		, <u>-</u>				· •		· -
Legal		1,200				1,200		1,200
Contingencies	***************************************	25,120				25,120		25,120
m . In	•		Φ.		•	-	•	252 542
Total Expenditures		353,749		-	\$	353,749		353,749
Excess (Deficiency) of Revenue								
Over (Under) Expenditures	_\$_	26,783		_	_\$_	24,996	_\$	24,996

Additional	Project	information:
Project	Numbe	r

Project Number	4900-040-12-1000
Grant Date	N/A
Bond Authorization Date	1/18/12
Bonds Authorized	-
Bonds Issued	-
Original Authorized Cost	433,694
Adjustment to Authorized Cost	(54,949)
Revised Authorized Cost	378,745
Percentage Change from	
Original Authorized Cost	(12.67)
Percentage of Completion	98.00%
Original Target Completion	December, 2013
Revised Target Completion	Completed
	- 122 -

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS SETH BOYDEN ELEMENTARY SCHOOL BATHROOM RENOVATIONS FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>	CURRENT <u>YEAR</u>	<u>TOTAL</u>	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds	\$ - -		\$ -	\$ - -
Transfer from (to) Other Projects Transfer from Capital Reserve Fund	189,450		189,450	189,450
Total Revenues	\$ 198,589	\$ -	\$ 189,450	\$ 189,450
Expenditures and Other Financing Uses: Architecture	\$ 16,570		\$ 16,570	\$ 16,570
Field Rep. Construction Equipment	162,230		162,230	162,230
Legal Contingencies	3,500 4,776		3,500 4,776	3,500 4,776
Total Expenditures	\$ 187,076	\$ -	\$ 187,076	\$ 187,076
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 11,513	<u>\$ -</u>	\$ 2,374	\$ 2,374
Additional Project information: Project Number	4900-130-11-200	٥		
Grant Date	N/A	U		
Bond Authorization Date	1/18/12			
Bonds Authorized	-			
Bonds Issued	-			
Original Authorized Cost	198,589			
Adjustment to Authorized Cost	(9,139)			
Revised Authorized Cost	189,450			

(4.60)

100.00%

December, 2013

Completed - 123 -

Percentage Change from Original Authorized Cost

Percentage of Completion

**Original Target Completion** 

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS CLINTON ELEMENTARY SCHOOL BATHROOM RENOVATIONS FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR PERIODS	CURRENT <u>YEAR</u>	TOTAL	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ - - 112,758		\$ - - 112,758	\$ - - 112,758
Total Revenues	\$ 112,758	\$ -	\$ 112,758	\$ 112,758
Expenditures and Other Financing Uses: Architecture Field Rep. Construction Equipment Legal Contingencies	\$ 12,889 - 88,496 2,861 8,036		\$ 12,889 - 88,496 2,861 8,036	\$ 12,889 - 88,496 2,861 8,036
Total Expenditures	\$ 112,282	-	\$ 112,282	\$ 112,282
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 476	<u>\$ -</u>	\$ 476	\$ 476

Additional	Project information:	
	•	•

Project Number	4900-060-11-1000
Grant Date	N/A
Bond Authorization Date	1/18/12
Bonds Authorized	-
Bonds Issued	-
Original Authorized Cost	140,937
Adjustment to Authorized Cost	(28,179)
Revised Authorized Cost	112,758
Percentage Change from	
Original Authorized Cost	-19.99%
Percentage of Completion	100.00%
Original Target Completion	December, 2012
Revised Target Completion	Completed
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### SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS MAPLEWOOD MIDDLE SCHOOL AUDITORIUM VENTILATION FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR PERIODS	CURREN' <u>YEAR</u>	Γ		<u>rotal</u>	AUT	EVISED THORIZED COST
Revenue and Other Financing Sources:							
State Sources - SCC Grant	\$ -			\$	-	\$	-
Bond Proceeds	327,399				327,399		327,399
Transfer from (to) Other Projects	18,636				18,636		18,636
Transfer from Capital Reserve Fund	**						-
m . 1 p	<b></b>	Φ.		Φ.	246.025	Φ.	246.025
Total Revenues	\$ 346,035	\$		\$	346,035		346,035
Expenditures and Other Financing Uses:							
Architecture	\$ 37,828	\$	-	\$	37,828	\$	37,828
Field Rep.	<u>-</u>				•		-
Construction	73,608				73,608		73,608
Equipment					-		-
Legal	3,500				3,500		3,500
Contingencies	9,589		<del></del> -		9,589		9,589
	-				-		<u>-</u>
Total Expenditures	\$ 124,525	\$		\$	124,525	_\$	124,525
Excess (Deficiency) of Revenue							
Over (Under) Expenditures	\$ 221,510	\$	_	\$	221,510	\$	221,510
over (onder) Expenditures	W 221,510		2	<u> </u>			
Additional Project information:							
Project Number	4900-040-11-2000	)					
Grant Date	N/A						
Bond Authorization Date	1/18/12						
Bonds Authorized	327,399						
Bonds Issued	327,399						
Original Authorized Cost	394,651						
Adjustment to Authorized Cost	(48,616)						
Revised Authorized Cost	346,035						
Percentage Change from							
Original Authorized Cost	-12.32%						
Percentage of Completion	100.00%						
Original Target Completion	100.0070						
Revised Target Completion	Completed						
J 1	r						

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS MAPLEWOOD MIDDLE SCHOOL ADDITION FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>	CURRENT <u>YEAR</u>	<u>TOTAL</u>	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ - 2,980,000 148,541		\$ - 2,980,000 148,541	\$ - 2,980,000 148,541 -
Total Revenues	\$ 3,128,541	\$ -	\$ 3,128,541	\$ 3,128,541
Expenditures and Other Financing Uses: Architecture Field Rep. Construction	\$ 370,854 - 2,511,556	\$ -	\$ 370,854 - 2,511,556	\$ 370,854 - 2,511,556
Equipment Legal Contingencies	3,500 195,560		3,500 195,560	3,500 195,560
Total Expenditures	\$ 3,081,469	\$ -	\$ 3,081,469	3,081,469
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 47,071	\$ -	\$ 47,071	\$ 47,071
Additional Project information:  Project Number Grant Date Bond Authorization Date Bonds Authorized Bonds Issued Original Authorized Cost Adjustment to Authorized Cost Revised Authorized Cost Percentage Change from Original Authorized Cost Percentage of Completion Original Target Completion	4900-040-12-2000 N/A 1/18/12 - 2,980,000 148,541 3,128,541 4.98% 98.50%			
Revised Target Completion	Completed			

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#### SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS JEFFERSON ELEMENTARY SCHOOL MECHANICAL UPGRADES FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>	CURRENT <u>YEAR</u>	TOTAL	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects	\$ 29,260 91,410	-	\$ 29,260 91,410	\$ 29,260 91,410
Transfer from Capital Reserve Fund	-		-	***************************************
Total Revenues	\$ 120,670	\$	\$ 120,670	\$ 120,670
Expenditures and Other Financing Uses: Architecture	\$ 7,179		\$ 7,179	\$ 7,179
Field Rep. Construction	- 60,755		- 60,755	60,755
Equipment Legal	1,000		1,000	1,000
Contingencies	-	<u> </u>		
Total Expenditures	\$ 68,934	\$ -	\$ 68,934	\$ 68,934
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	\$ 51,736	\$ -	\$ 51,736	\$ 51,736
Additional Project information: Project Number Grant Date	4900-090-14-1011			
Bond Authorization Date	1/22/14			
Bonds Authorized	91,410			
Bonds Issued	91,410			
Original Authorized Cost	152,350			
Adjustment to Authorized Cost	(31,680)			
Revised Authorized Cost	120,670			

-20.79%

57.13%

August, 2015

Completed - 127 -

Percentage Change from Original Authorized Cost

Percentage of Completion

**Original Target Completion** 

### SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS COLUMBIA HIGH SCHOOL WATER INFILTRATION REPAIRS FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>	CURRENT <u>YEAR</u>	TOTAL	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects	\$ 240,130 49 366,030	\$ -	\$ 240,130 49 366,030	\$ 240,130 49 366,030
Transfer from Capital Reserve Fund  Total Revenues	\$ 606,209	\$ -	\$ 606,209	\$ 606,209
Expenditures and Other Financing Uses: Architecture Field Rep.	\$ 32,489 -	\$ -	\$ 32,489	\$ 32,489
Construction Equipment Legal	505,190 - 1,200		505,190 - 1,200	505,190 - 1,200
Contingencies  Total Expenditures	46,325	•	46,325	46,325
Excess (Deficiency) of Revenue	\$ 585,204	\$ -	\$ 585,204	\$ 585,204
Over (Under) Expenditures	\$ 21,005	\$	\$ 21,005	\$ 21,004
Additional Project information: Project Number Grant Date	4900-030-14-1005			
Bond Authorization Date	1/22/14			
Bonds Authorized	49			
Bonds Issued	49			
Original Authorized Cost Adjustment to Authorized Cost	610,132			
Revised Authorized Cost	(3,923) 606,209			
Percentage Change from Original Authorized Cost Percentage of Completion Original Target Completion	-0.64% 100.00%			
Revised Target Completion	December, 2014 Completed			
<u> </u>	100			

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## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS COLUMBIA HIGH SCHOOL MECHANICAL UPGRADES FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR PERIODS	CURRENT <u>YEAR</u>	TOTAL	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ 214,188 12,818 3,200,000		\$ 214,188 12,818 3,200,000	\$ 2,141,878 12,818 3,200,000
Total Revenues	\$ 3,427,006	\$ -	\$ 3,427,006	\$ 5,354,696
Expenditures and Other Financing Uses: Architecture Field Rep. Construction	\$ 340,306 - 1,840,858	\$ 3,632 817,677	\$ 343,938 - 2,658,536	\$ 343,938 - 4,367,475
Equipment Legal Contingencies	49,080 95,048	48,568	49,080 143,616	87,350 555,933
Total Expenditures	\$ 2,325,292	\$ 869,877	\$ 3,195,170	\$ 5,354,696
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 1,101,713	\$ (869,877)	\$ 231,836	<u>\$</u>
Additional Project information: Project Number Grant Date	4900-030-14-1007			
Bond Authorization Date Bonds Authorized	1/22/14 12 <b>,</b> 818			
Bonds Issued Original Authorized Cost	12,818 5,354,696			
Adjustment to Authorized Cost Revised Authorized Cost	- 5,354,696			
Percentage Change from				

0.00%

59.67%

November, 2016

October. 2018 - 129 -

Original Authorized Cost

**Original Target Completion** 

**Revised Target Completion** 

Percentage of Completion

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS COLUMBIA HIGH SCHOOL ROOF REPLACEMENT D-WING FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>	CURRENT <u>YEAR</u>	<u>TOTAL</u>	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ - 6,413 100,500	\$ 65,108	\$ 65,108 6,413 100,500	\$ 65,108 6,413 100,500
Total Revenues	\$ 106,913	\$ 65,108	\$ 172,021	\$ 172,021
Expenditures and Other Financing Uses: Architecture Field Rep.	\$ 9,900		\$ 9,900	\$ 9,900
Construction	139,241		139,241	139,241
Equipment Legal Contingencies	2,000 12,086	-	2,000 13,673	2,000 13,673
Total Expenditures	\$ 163,227	\$ -	\$ 164,814	\$ 164,814
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ (56,314)	\$ 65,108	\$ 7,206	\$ 7,206
Additional Project information: Project Number Grant Date	4900-030-14-1023	3		
Bond Authorization Date Bonds Authorized	1/22/14 6,413			
Bonds Issued	6,413			
Original Authorized Cost	178,188			
Adjustment to Authorized Cost Revised Authorized Cost	(6,167) 172,021			

January, 2015

December, 2016

-3.46%

100.00%

Percentage Change from Original Authorized Cost

Percentage of Completion

Original Target Completion

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS COLUMBIA HIGH SCHOOL ROOF REPLACEMENT (B & D) FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR PERIODS	CURRENT <u>YEAR</u>	TOTAL	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ - 731,217 - -	\$ 294,676	\$ 294,676 731,217	\$ 294,676 731,217
Total Revenues	\$ 731,217	\$ 294,676	\$ 1,025,893	\$ 1,025,893
Expenditures and Other Financing Uses: Architecture Field Rep. Construction	\$ 31,490 - 648,500		\$ 31,490 - 648,500	\$ 31,490 - 648,500
Equipment Legal	4,000		4,000	4,000
Contingencies	-		-	-
Total Expenditures	\$ 683,990	\$ -	\$ 683,990	\$ 683,990
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 47,227	\$ 294,676	\$ 341,903	\$ 341,903
Additional Project information: Project Number Grant Date	4900-030-14-1024	ı		
Bond Authorization Date Bonds Authorized	1/22/14			
Bonds Issued	731,217 731,217			
Original Authorized Cost Adjustment to Authorized Cost	1,218,695 (192,802)			

Bonds Authorized

Bonds Issued

Original Authorized Cost

Adjustment to Authorized Cost

Revised Authorized Cost

Percentage Change from

Original Authorized Cost

Percentage of Completion

Original Target Completion

Revised Target Completion

Tompleted

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#### SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS MAPLEWOOD MIDDLE SCHOOL WINDOW REPLACEMENTS FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR CURRENT PERIODS YEAR		TOTAL	REVISED AUTHORIZE <u>COST</u>		
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds	\$ 458,479	\$	-	\$ 458,479	\$	458,479
Transfer from (to) Other Projects Transfer from Capital Reserve Fund	1,327,892			1,327,892		1,327,892
Total Revenues	\$ 1,786,371	\$	-	\$ 1,786,371		1,786,371
Expenditures and Other Financing Uses: Architecture Field Rep.	\$ 135,732 -	\$	5,760	\$ 141,492 -	\$	141,492 -
Construction	1,241,479		8,521	1,250,000		1,250,000
Equipment	-			-		
Legal	22,248		-	22,248		22,248
Contingencies	-		-			_
Total Expenditures	\$ 1,399,459	_\$	14,281	\$ 1,413,740	_\$_	1,413,740
Excess (Deficiency) of Revenue						
Over (Under) Expenditures	\$ 386,912		(14,281)	\$ 372,631		372,631
Additional Project information: Project Number Grant Date	4900-040-14-1008	3				
Bond Authorization Date	N/A					
Bonds Authorized	N/A					
Bonds Issued	N/A					
Original Authorized Cost	2,213,154					
Adjustment to Authorized Cost	(426,783)					
Revised Authorized Cost	1,786,371					
Percentage Change from Original Authorized Cost	0.00%					
Percentage of Completion	100.00%					
Original Target Completion	December, 2015					
Revised Target Completion	Completed					
Training Tamber Southing	<b>k</b>					

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#### SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS CLINTON ELEMENTARY SCHOOL WINDOW REPLACEMENTS FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR CURRENT <u>PERIODS</u> <u>YEAR</u>		<u>TOTAL</u>	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds	\$ 263,629	_	\$ 263,629	\$ 263,629
Transfer from (to) Other Projects Transfer from Capital Reserve Fund	651,376	-	651,376	651,376
Total Revenues	\$ 915,005	\$ -	\$ 915,005	\$ 915,005
Expenditures and Other Financing Uses:				
Architecture	\$ 69,536	\$ -	\$ 69,536	\$ 69,536
Field Rep.	-	-	-	-
Construction	656,585	61,415	718,000	718,000
Equipment Legal	11,928		11,928	11,928
Contingencies	8,507	3,150	11,657	11,657
comm <b>gencies</b>		3,130	- 11,037	- 11,037
Total Expenditures	\$ 746,556	\$ 64,565	\$ 811,121	\$ 811,121
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	\$ 168,449	\$ (64,565)	\$ 103,884	\$ 103,884
Additional During to Compare				
Additional Project information: Project Number	4000 060 14 1010			
Grant Date	4900-060-14-1010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,085,626			
Adjustment to Authorized Cost	(170,621)			
Revised Authorized Cost	915,005			
Percentage Change from				
Original Authorized Cost	-15.72%			
Percentage of Completion	100.00%			
Original Target Completion	December, 2015			

Completed - 133 -

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS MARSHALL ELEMENTARY SCHOOL PARTIAL ROOF REPLACEMENT FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR CURRENT PERIODS YEAR			<u>TOTAL</u>		REVISED AUTHORIZED <u>COST</u>	
Revenue and Other Financing Sources: State Sources - SCC Grant	\$ 176,700			\$	176,700	\$	176,700
Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	535,828		(23,129)		512,699		512,699
Total Revenues	\$ 712,528	\$	(23,129)	_\$_	689,399	\$	689,399
Expenditures and Other Financing Uses: Architecture	\$ 56,910	\$	<b>-</b>	\$	56,910	\$	56,910
Field Rep. Construction Equipment	374,000		-		374,000		374,000
Legal Contingencies	8,942 10,839	water 1	-		8,942 10,839		8,942 10,839
Total Expenditures	\$ 450,691	\$	-		450,691	\$	450,691
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 261,836	\$	(23,129)		238,707	_\$_	238,707
Additional Project information: Project Number Grant Date	4900-100-14-1014		,				
Bond Authorization Date	N/A						
Bonds Authorized	N/A						
Bonds Issued	N/A						
Original Authorized Cost	893,047						
Adjustment to Authorized Cost Revised Authorized Cost	(203,648) 689,399						
Percentage Change from Original Authorized Cost	-22.80%						
Percentage of Completion	100.00%						
Original Target Completion Revised Target Completion	October, 2015 Completed						
Revised Target Completion	Completed						

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### SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS SETH BOYDEN ELEMENTARY SCHOOL BARRIER FREE UPGRADES FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR CURRENT PERIODS YEAR		<u>TOTAL</u>		REVISED AUTHORIZED <u>COST</u>		
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ 32,332	\$	23,129	\$	32,332 23,129	\$	21,555 32,332 23,129
Total Revenues	\$ 32,332	\$	23,129	\$	55,461	_\$	77,016
Expenditures and Other Financing Uses: Architecture Field Rep. Construction Equipment Legal Contingencies  Total Expenditures	\$  3,290 - - - 626 660 - 4,576	\$	165 - 34,580 - 20,510 55,255	\$ 	3,455 - 34,580 - 626 21,170 - 59,831	\$	3,455 - 44,067 - 626 28,868 - 77,016
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 27,756	\$	(32,126)	\$	(4,370)	\$	<del>-</del>
Additional Project information:  Project Number Grant Date Bond Authorization Date Bonds Authorized Bonds Issued Original Authorized Cost Adjustment to Authorized Cost Revised Authorized Cost	/22/14 32,332 32,332 53,887 23,129 77,016	5					

42.92%

100.00%

October, 2015

Completed - 135 -

Percentage Change from Original Authorized Cost

Percentage of Completion

**Original Target Completion** 

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS JEFFERSON ELEMENTARY SCHOOL PARTIAL ROOF REPLACEMENT FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR CURRENT PERIODS YEAR		TOTAL		REVISED AUTHORIZED <u>COST</u>		
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ 202,502 327,264 -		-	\$	202,502 327,264 - -	\$	202,502 327,264 -
Total Revenues	\$ 529,766	\$		_\$_	529,766	_\$	529,766
Expenditures and Other Financing Uses: Architecture	\$ 25,759	\$	-	\$	25,759	\$	25,759
Field Rep. Construction	433,183		-		433,183		433,183
Equipment	-						-
Legal	5,140		-		5,140		5,140
Contingencies	33,662				33,662		33,662
Total Expenditures	\$ 497,744	\$		_\$_	497,744	\$	497,744
Excess (Deficiency) of Revenue							
Over (Under) Expenditures	\$ 32,022	\$	_		32,022		32,022
Additional Project information: Project Number Grant Date	4900-090-14-1013						
Bond Authorization Date	1/22/14						
Bonds Authorized	327,264						
Bonds Issued	327,264						
Original Authorized Cost	545,440						
Adjustment to Authorized Cost	(15,674)						
Revised Authorized Cost	529,766						
Percentage Change from							
Original Authorized Cost	-2.87%						
Percentage of Completion	100.00%						

December, 2014

Completed

Original Target Completion

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS SOUTH MOUNTAIN ANNEX PARTIAL ROOF REPLACEMENT FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>	CURRENT <u>YEAR</u>	TOTAL	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ 19,659 294,884 - 	\$ 158,554 -	\$ 178,213 294,884 -	\$ 178,213 294,884 - -
Total Revenues	\$ 314,543	\$ 158,554	\$ 473,097	\$ 473,097
Expenditures and Other Financing Uses: Architecture Field Rep. Construction	\$ 27,001 - 395,483	\$ -	\$ 27,001 - 395,483	\$ 27,001 - 395,483
Equipment Legal Contingencies	7,910 10,947	_	7,910 10,947	7,910 10,947
Total Expenditures	\$ 441,341	\$ -	\$ 441,341	\$ 441,341
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ (126,798)	\$ 158,554	\$ 31,755	\$ 31,755
Additional Project information: Project Number Grant Date	4900-140-14-1017			
Bond Authorization Date Bonds Authorized	1/22/14 294,884			
Bonds Issued Original Authorized Cost	294,884 491,474			
Adjustment to Authorized Cost Revised Authorized Cost	(18,377) 473,097			
Percentage Change from Original Authorized Cost Percentage of Completion Original Target Completion Revised Target Completion	-3.74% 100.00% March, 2015 Completed			

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## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS MONTROSE ELEMENTARY SCHOOL ALTERATIONS FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>	CURRENT <u>YEAR</u>	<u>TOTAL</u>	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds Transfer from (to) Other Projects Transfer from Capital Reserve Fund	\$ - 3,583,613 - -	\$ - -	\$ - 3,583,613 - -	\$ - 3,583,613 - -
Total Revenues	\$ 3,583,613	\$ -	\$ 3,583,613	\$ 3,583,613
Expenditures and Other Financing Uses: Architecture Field Rep. Construction Equipment Legal Contingencies  Total Expenditures	\$ 366,979 - 3,046,018 169,961 - \$ 3,582,958	\$ - - - \$ -	\$ 366,979 - 3,046,018 - - 169,961 - \$ 3,582,958	\$ 366,979 - 3,046,018 - - 169,961 - \$ 3,582,958
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 655	\$ -	\$ 655	\$ 655
Additional Project information: Project Number Grant Date Bond Authorization Date Bonds Authorized Bonds Issued Original Authorized Cost Adjustment to Authorized Cost Revised Authorized Cost	4900-110-14-1000 1/22/14 3,583,613 3,583,613 3,583,613			

0.00%

100.00%

January, 2015

Completed - 138 -

Percentage Change from Original Authorized Cost

Percentage of Completion

**Original Target Completion** 

**Revised Target Completion** 

#### SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS COLUMBIA HIGH SCHOOL GENERATOR FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR <u>PERIODS</u>		RRENT EAR	Ž	<u> </u>		REVISED THORIZED COST
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds	\$ 85,660 -	\$	-	\$	85,660	\$	85,660 -
Transfer from (to) Other Projects Transfer from Capital Reserve Fund	196,761		-		196,761	•	- 196,761
Total Revenues	\$ 282,421	\$	-	\$	282,421	_\$_	282,421
Expenditures and Other Financing Uses: Architecture	\$ 38,921	<b>\$</b>		ø	28.021	•	40.000
Field Rep.	φ 36,921 -	Ф	-	\$	3 <b>8,9</b> 21	\$	40,000
Construction Equipment	162,109		-		162,109		213,186
Legal	<u>-</u>				-		-
Contingencies				***************************************	-		29,235_
Total Expenditures	\$ 201,030	\$	_	\$	201,030	_\$	282,421
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ 81,392	\$	-		81,392		-
Additional Project information:							
Project Number Grant Date	4900-030-14-1022						•
<b>Bond Authorization Date</b>	N/A						
Bonds Authorized	N/A						
Bonds Issued	N/A						
Original Authorized Cost Adjustment to Authorized Cost	327,935						
Revised Authorized Cost	(45,514) 282,421						
Percentage Change from Original Authorized Cost	12 000/						
Percentage of Completion	-13.88% 71.18%						
Original Target Completion	January, 2015						
Revised Torget Completion	ounumy, 2013						

Completed - 139 -

Revised Target Completion

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS MAPLEWOOD MIDDLE SCHOOL LAB CONVERSION FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR CURRENT PERIODS YEAR TOTAL		REVISED AUTHORIZED <u>COST</u>	
Revenue and Other Financing Sources: State Sources - SCC Grant Bond Proceeds	\$ 15,786		\$ 15,786	\$ 157,585
Transfer from (to) Other Projects Transfer from Capital Reserve Fund	236,377	-	236,377	236,377
Total Revenues	\$ 252,163	_\$	\$ 252,163	\$ 393,962
Expenditures and Other Financing Uses: Architecture Field Rep.	\$ 36,210	\$ -	\$ 36,210	\$ 36,210
Construction Equipment	200,588	-	200,588	331,992
Legal Contingencies	10,911	-	10,911	25,760
Total Expenditures	\$ 247,709	\$ -	\$ 247,709	\$ 393,962
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	\$ 4,453	\$ -	\$ 4,453	<u> </u>
Additional Project information: Project Number Grant Date	4900-040-09-1001			
Bond Authorization Date Bonds Authorized	N/A N/A			
Bonds Issued Original Authorized Cost Adjustment to Authorized Cost	N/A 393,962			
Revised Authorized Cost	393,962			
Percentage Change from Original Authorized Cost	0.000/			
Percentage of Completion	0.00% 98.23%			
Original Taxant Completion	70.2370			

January, 2015

January, 2017 - 140 -

Original Target Completion

**Revised Target Completion** 

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS TUSCAN ELEMENTARY SCHOOL WINDOW REPLACEMENT FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR PERIODS	CURRENT <u>YEAR</u>	<u>TOTAL</u>	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources:				
State Sources - SCC Grant	\$ -		\$ -	\$ 626,065
Bond Proceeds	-		-	•
Transfer from (to) Other Projects		-	-	-
Transfer from Capital Outlay	939,097		939,097	939,097
Total Revenues	\$ 939,097	\$ -	\$ 939,097	\$ 1,565,162
Expenditures and Other Financing Uses:				
Architecture	\$ -	\$ 95,610	\$ 95,610	\$ 95,610
Field Rep.	Ψ -	Ψ >5,010	Ψ 23,010	Ψ 25,010
Construction		<del>-</del>	_	1,274,910
Equipment	-		-	-
Legal	-	-	_	_
Contingencies	-	12,328	12,328	194,642
	-		_	-
Total Expenditures	\$	\$ 107,938	\$ 107,938	\$ 1,565,162
Francis (D. G. i. a. a.) - CD				
Excess (Deficiency) of Revenue	f 020.007	Φ (107.020)	<b>6</b> 021.150	Φ.
Over (Under) Expenditures	\$ 939,097	\$ (107,938)	\$ 831,159	\$ -
Additional Project information:				
Project Number	4900-150-14-1021			
Grant Date	6/22/16			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,565,162			
Adjustment to Authorized Cost	-			
Revised Authorized Cost	1,565,162			
Percentage Change from				
Original Authorized Cost	0.00%			
Percentage of Completion	11.49%			
Original Target Completion	December, 2016			
Revised Target Completion	March, 2018			
	1,101011, 2010			

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS CLINTON ELEMENTARY SCHOOL RESTROOM REPLACEMENT FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR PERIODS		CURRENT <u>YEAR</u>		]	TOTAL	REVISED AUTHORIZED <u>COST</u>		
Revenue and Other Financing Sources:	_				•		•		
State Sources - SCC Grant	\$	-			\$	-	\$	•	
Bond Proceeds		-				<del>-</del>		_	
Transfer from (to) Other Projects		228,369		-		228,369		228,369	
Transfer from Capital Reserve		228,309				220,309		220,307	
Total Revenues	_\$_	228,369	\$	-	_\$_	228,369		228,369	
Expenditures and Other Financing Uses:									
Architecture	\$	-	\$	-	\$	-	\$	-	
Field Rep.		-		-		-		-	
Construction		202,607				202,607		202,607	
Equipment		-				-		-	
Legal		-		-		-		-	
Contingencies		-							
Total Expenditures	_\$_	202,607	\$			202,607		202,607	
Excess (Deficiency) of Revenue									
Over (Under) Expenditures	_\$_	25,762		-		25,762	\$	25,762	
Additional Project information:								•	
Project Number		N/A							
Grant Date		N/A							
Bond Authorization Date		N/A							
Bonds Authorized		N/A							
Bonds Issued		N/A							
Original Authorized Cost		228,369							
Adjustment to Authorized Cost		-							
Revised Authorized Cost		228,369							
Percentage Change from									
Original Authorized Cost		0.00%							
Percentage of Completion		88.72%							
Original Target Completion	C	ompleted							
Revised Target Completion		•							

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS JEFFERSON ELEMENTARY SCHOOL ELECTRICAL UPGRADES FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR PERIODS	CURRENT <u>YEAR</u>	TOTAL	REVISED AUTHORIZED <u>COST</u>
Revenue and Other Financing Sources: State Sources - SDA Grant Bond Proceeds	\$ - -		\$ -	\$ 73,441
Transfer from (to) Other Projects		_	-	-
Transfer from Capital Reserve	110,161		110,161	110,161
Total Revenues	\$ 110,161	\$ -	\$ 110,161	\$ 183,602
Expenditures and Other Financing Uses:				
Architecture	\$ -	\$ -	\$ -	\$ -
Field Rep.	-	-	_	<u>.</u>
Construction		119,466	119,466	145,950
Equipment		,	_	-
Legal	-	-	-	-
Contingencies	1,760	256	2,016	37,652
•	-		_	-
Total Expenditures	\$ 1,760	\$ 119,722	\$ 121,481	\$ 183,602
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	\$ 108,402	\$ (119,722)	\$ (11,320)	\$ -
Additional Project information:				
Project Number	4900-090-14-1012	2		
Grant Date	4/27/15	-		
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			

183,602

183,602

Percentage Change from	
Original Authorized Cost	0.00%
Percentage of Completion	110.28%
Original Target Completion	August, 2017
Revised Target Completion	Completed

Original Authorized Cost

Adjustment to Authorized Cost Revised Authorized Cost

## SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS SETH BOYDEN ELEMENTARY SCHOOL ELECTRICAL UPGRADES FROM INCEPTION TO AND FOR THE YEAR ENDED JUNE 30, 2017

	PRIOR PERIODS		CURRENT <u>YEAR</u>		TOTAL		REVISED AUTHORIZED <u>COST</u>	
Revenue and Other Financing Sources: Transfer from Capital Reserve						_	Manufacture	1,900,000
Total Revenues		-	\$		\$		\$	1,900,000
Expenditures and Other Financing Uses:								
Architecture	\$	-	\$	-	\$	-	\$	100,000
Field Rep.		-		-		-		-
Construction						-		1,610,000
Equipment		-				-		-
Legal		-		-		-		-
Contingencies								190,000
Total Expenditures	_\$		_\$	-	\$	-		1,900,000
Excess (Deficiency) of Revenue								
Over (Under) Expenditures		_	\$				\$	_
Additional Project information:								
Project Number	4900-130	)-18-100	)					
Grant Date		/A						
Bond Authorization Date		/A						
Bonds Authorized		/ <b>A</b>						
Bonds Issued	N	/ <b>A</b>						
Original Authorized Cost	1,90	00,000						
Adjustment to Authorized Cost	·							
Revised Authorized Cost	1,90	00,000						
Percentage Change from								
Original Authorized Cost		0.00%						
Percentage of Completion		0.00%						
Original Target Completion								
Revised Target Completion								
		111	•					

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## PROPRIETARY FUNDS SECTION – G

#### **ENTERPRISE FUND**

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD COMBINING STATEMENT OF NET POSITION ENTERPRISE FUND AS OF JUNE 30, 2017

		MAJOR I	PR	OGRAMS		NON-MAJOI PROGRAM		TOTAL
		FOOD		LATCHKEY			•	<b>ENTERPRISE</b>
		<b>SERVICE</b>		<b>PROGRAM</b>		ETTC		<b>FUND</b>
<u>ASSETS</u>						<del></del>		
Current Assets:								
Cash and Cash Equivalents	\$	867,062.58	\$	43,563.11	\$	6,268.00	\$	916,893.69
Accounts Receivable:								
State		1,357.94						1,357.94
Federal		46,169.71						46,169.71
Other		38,804.86						38,804.86
Inventories	-	9,637.19	•		•			9,637.19
Total Current Assets	-	963,032.28	•	43,563.11		6,268.00		1,012,863.39
Noncurrent Assets:								
Fixed Assets:								
Equipment		438,525.77						438,525.77
Accumulated Depreciation		(299,695.42)						(299,695.42)
- Pro-	-	(2)),())	•		•			(2)),0)3.42)
Total Noncurrent Assets	_	138,830.35		_	•	-		138,830.35
Total Assets	\$_	1,101,862.63	\$	43,563.11	. \$	6,268.00	\$	1,151,693.74
<u>LIABILITIES</u>								
Current Liabilities:								
Accounts Payable	\$	159,412.05	\$		\$		\$	159,412.05
Unearned Revenue	-	149,124.07						149,124.07
Total Current Liabilities	_	308,536.12				_		308,536.12
NET POSITION								
Invested in Capital Assets Net of								
Related Debt		138,830.35				-		138,830.35
Unrestricted	_	654,496.16		43,563.11		6,268.00		704,327.27
Total Net Position	\$_	793,326.51	\$	43,563.11	\$	6,268.00	\$	843,157.62

#### **BOARD OF EDUCATION**

## SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION ENTERPRISE FUNDS

#### FOR THE FISCAL YEAR ENDED JUNE 30, 2017

		OR PROGRAMS	NON-MAJOR <u>PROGRAM</u>	TOTAL
	FOOD			ENTERPRISE
OPERATING REVENUES	SERVIC	<u>PROGRAM</u>	I ETTC	FUND
OTERATING REVENUES				
Local Sources:				
Daily Sales	\$ 1,307,217		\$	, , ,
Vending & Other Sales	75,972			75,972.89
Participant Fees		265,254.10	****	265,254.10
Total Operating Revenues	1,383,190	265,254.10		1,648,444.73
<b>OPERATING EXPENSES</b>				
District Management Costs:				
Personnel Costs	121,989	.99		121,989.99
Food Service Management Company Costs:	,			,
Food (Including USDA Commodities)	966,882	.57		966,882.57
Supplies	53,750		1	244,938.29
Personnel Costs	708,814			737,147.94
Uniforms	2,496	.50		2,496.50
Office & Admin.	4,408	.49		4,408.49
Insurance	58,343	.79 2,170.00	•	60,513.79
Outside Services	6,594	.96		6,594.96
Management Fees	89,825	.00		89,825.00
Depreciation	47,213	.69		47,213.69
Total Operating Expenses	2,060,320	.23 221,690.99		2,282,011.22
Operating Income (Loss)	(677,129	43,563.11		(633,566.49)
Non-Operating Revenues:				
State Sources:				
State School Lunch Program	18,408	.76		18,408.76
Federal Sources:				
School Breakfast Program	51,237			51,237.45
National School Lunch Program	569,563			569,563.02
USDA Commodities Program	145,097	.52		145,097.52
Total Non-Operating Revenues	784,306	.75		784,306.75
Income (Loss) Before Operating Transfers	107,177	.15 43,563.11		150,740.26
Change in Net Position	107,177	.15 43,563.11	_	150,740.26
Total Net Position - Beginning	686,149	.36	6,268.00	692,417.36
Total Net Position - Ending	\$	.51 \$ 43,563.11	\$	843,157.62

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD COMBINING STATEMENT OF CASH FLOWS ENTERPRISE FUNDS

#### FOR THE FISCAL YEAR ENDED JUNE 30, 2017

		MAJOR PR	OGRAMS		ON-MAJOR PROGRAM	TOTAL
		FOOD SERVICE	LATCHKEY		ETTC	ENTERPRISE FUND
Cash Flows from Operating Activities:						
Cash Received from Customers	\$	1,395,670.36 \$	•	\$	- \$	, ,
Cash Payments for Goods & Supplies		(1,586,606.98)	(191,187.69)			(1,777,794.67)
Cash Payments for Employee Expenses	-	(121,989.99)	(30,503.30)	_		(152,493.29)
Net Cash Provided by (used for) Operating Activities	_	(312,926.61)	43,563.11	_		(269,363.50)
Cash Flows from Non-Capital Financing Activities						
State Sources		18,396.67				18,396.67
Federal Sources		622,087.57	***************************************			622,087.57
Net Cash Provided by (used for) Non-Capital						
Financing Activities		640,484.24	<u>.</u>		-	640,484.24
Cash Flows from Capital and Related Financing Activities						
Sale of Equipment		5,000.00				5,000.00
Purchase of Equipment	_	(11,726.60)		-		(11,726.60)
Net Cash Provided by (used for) Capital and Related						
Financing Activities		(6,726.60)	-		_	(6,726.60)
· ·	_					
Net Increase (Decrease) in Cash and Cash Equivalents		320,831.03	43,563.11		-	364,394.14
Cash and Cash Equivalents, July 1		546,231.55		_	6,268.00	552,499.55
Cash and Cash Equivalents, June 30	\$_	867,062.58 \$	43,563.11	\$_	6,268.00 \$	916,893.69
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	_					
Operating Income (Loss) Adjust. to Reconcile Operating Income (Loss) to Cash Provided (Used) by Oper. Activities:	\$	(677,129.60) \$	43,563.11	\$	\$	(633,566.49)
Depreciation		47,213.69				47,213.69
USDA Commodities		145,097.52				145,097.52
(Increase) Decrease in Accounts Receivable		(31,294.85)				(31,294.85)
(Increase) Decrease in Inventory		1,284.21				1,284.21
Increase (Decrease) in Unearned Revenues Increase (Decrease) in Accounts Payable		42,490.37				42,490.37
•		159,412.05		_		159,412.05
Net Cash Used by Operating Activities	\$ _	(312,926.61) \$	43,563.11	\$ _	\$	(269,363.50)

### INTERNAL SERVICE FUND

## FIDUCIARY FUNDS SECTION - H

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# SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD COMBINING STATEMENT OF NET POSITION FIDUCIARY FUNDS JUNE 30, 2017

				EXPENDABLE TRUSTS	LET	RUSTS		
		AGE	AGENCY	Unemployment		District		
	l I	Student Activity	Payroll Agency	Compensation Insurance		Related Arts		TOTALS
ASSETS								
Cash and Cash Equivalents  Due from Depository  Interfund Accounts Receivable	<del>6</del>	460,749.00 2,936.00	\$ 837,161.04 \$	\$ 734,662.14 \$ 53,882.14	<b>∽</b>	1,400.00 \$ 2,033,972.18 2,936.00 53,882.14	\$ 2,0	33,972.18 2,936.00 53,882.14
Total Assets	<del>⊗</del>	463,685.00	463,685.00 \$ 837,161.04 \$	\$ 788,544.28 \$	<del>∞</del>	1,400.00 \$ 2,090,790.32	\$ 2,0	90,790.32
LIABILITIES AND NET POSITION								
Liabilities: Accounts Payable Payroll Deductions and Withholdings Interfund Accounts Payable Due to Student Groups	<del>∽</del>	463,685.00	\$ 783,278.90 53,882.14	\$ 20,968.68	<del>∨</del>		8 7 4	20,968.68 783,278.90 53,882.14 463,685.00
Total Liabilities	31	463,685.00	837,161.04	20,968.68			1.3	,321,814.72
Net Position: Reserves for Unemployment Compensation Insurance Claims Unreserved				767,575.60		1,400.00		767,575.60 1,400.00
Total Net Position				\$ 767,575.60 \$	<u>~</u> "	1,400.00	- 11	768,975.60

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS FIDUCIARY FUNDS

#### FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	_	Expendable	Trust Funds		
		Unemployment Compensation Insurance Trust	District Related Arts		TOTALS
ADDITIONS	•				
Contributions:					
Plan Member	\$ .	204,060.77	\$	- \$_	204,060.77
Total Contributions		204,060.77		. –	204,060.77
Total Additions		204,060.77			204,060.77
DEDUCTIONS					
Unemployment Benefits		143,706.41			143,706.41
Total Deductions		143,706.41	_		143,706.41
Change in Net Assets		60,354.36	_		60,354.36
Net Assets - Beginning of the Year		707,221.24	1,400.00		708,621.24
Net Assets - End of the Year	\$	767,575.60	\$ 1,400.00	_ \$ _	768,975.60

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT SCHEDULE OF RECEIPTS AND DISBURSEMENTS STUDENT ACTIVITY AGENCY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	_	BALANCE JUNE 30, 2016	CASH RECEIPTS	CASH <u>DISBURSEMENTS</u>	BALANCE JUNE 30, 2017
ELEMENTARY SCHOOLS					
Clinton School	\$	7,995 \$	15,884 \$	21,588 \$	2,291
Jefferson School		2,760	36,089	34,855	3,993
Marshall School		3,877	21,328	23,364	1,841
Seth Boyden School		7,851	17,255	21,090	4,016
South Mountain School		7,200	23,757	23,879	7,078
Tuscan School		6,322	31,012	32,124	5,210
Total Elementary Schools	\$_	36,004 \$	145,325 \$	156,899 \$	24,429
MIDDLE SCHOOLS					
Maplewood Middle School	\$	19,930 \$	97,487 \$	92,973 \$	24,443
South Orange Middle School	_	27,040	206,201	183,630	49,612
Total Middle Schools	\$	46,970 \$	303,688 \$	276,603 \$	74,055
HIGH SCHOOL					
Columbia H.S.	\$	330,736	544,813 \$	513,285 \$	362,265
C.H.S Due from Depository	-	(2,936)	2,936		-
Total High School	\$_	327,801 \$	\$47,749_\$	513,285	362,265
<b>Total All Schools</b>	\$_	410,775 \$	996,762	\$\$	460,749

## BOARD OF EDUCATION SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT SCHEDULE OF RECEIPTS AND DISBURSEMENTS COLUMBIA HIGH SCHOOL FUNDS STUDENT ACTIVITY AGENCY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BALANCE JUNE 30, 2016	_	CASH RECEIPTS	-	CASH DISBURSEMENTS	INTERFUND TRANSFERS	BALANCE JUNE 30, 2017
A Capella \$		\$	8,955	\$	4,837 \$	(108)\$	4,010
All School Production	56,841		78,105		60,626	200	74,520
Amnesty International	3,419				500		2,919
Animal Rights Club	178						178
AP Art History Tour			84		84		-
Armond D'Onofrio Scholarship	220						220
Art & Music	16,800		11,789		15,750	538	13,376
Art Club	195						195
Astronomy Club	482		760				1,242
Athletics and Activities	11,180		95,777		102,372	1,113	5,699
Biasucci Grant	500					(400)	100
Breast Cancer Awareness	831					, ,	831
Bridge Deisgn Club	890						890
Business	571						571
Cap and Gown Fund	20,781		11,395		86	(5,216)	26,875
CCIOTC	2,988		3,399		5,552		835
Columbia High School T.V. Studio (CCN)	10,363		ŕ		929		9,434
College Entrance Examination Board (CEEB)	· -		82,751		85,036	2,285	-
C.H.S. Band	2,900		62,329		50,500	200	14,930
C.H.S. Basketball	ŕ		4,100		4,094		6
C.H.S. World Int'l Club	243		ŕ		236		7
Class of 2016	4,638					(4,638)	_
Class of 2017	2,449		51,533		45,655	(2,831)	5,496
Class of 2018	579		1,579		2,461	3,990	3,687
Class of 2019	720		1,299		132	,	1,887
Class of 2020			627				627
Columbia 2025	1,000						1,000
Columbian	15,326				2,375		12,952
Concert Choir	290		900		1,298	108	, <u>-</u>
Cougar Nation	208				•		208
Counseling Center	2		1,552		812		741
Courtyard	729		150				879
Diversity Rocks	417						417
Drama Intensive	214						214
English Club	_		697		164		534
Eyeglass Fund	28				103	200	125
FNL	3,660						3,660
FBLA	337		110				447
Field Trips	538					(538)	-
FLES	15,131		2,339		2,052	` /	15,418
Fight Club	375		•		ŕ		375
Football	295						295
Fred Booth Scholarship	1						1
GAIA	522						522
General Account	19,288		33,996		12,834	(329)	40,121
Guildscript	836		1,090		2,521	1,690	1,095
Guitar Club	541		,		,		541
H Edelman Grant	2						2
High School Council	384		3,395		3,037	14	757
ID's	4,504		945		,		5,449
Impact - V Carney	882		90				972
Checking account - interest	14,085		239		758		13,566
-	,		- 155 -				. ,
			100				Page 1 of 2

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## BOARD OF EDUCATION SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT SCHEDULE OF RECEIPTS AND DISBURSEMENTS COLUMBIA HIGH SCHOOL FUNDS STUDENT ACTIVITY AGENCY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BALANCE JUNE 30, 2016	CASH RECEIPTS	CASH DISBURSEMENTS	INTERFUND TRANSFERS	BALANCE JUNE 30, 2017
Italian Cultural Club	172				170
Italian Night	1,032				172
Janet Hicks Scholarship	858		500		1,032
Junior States	636		300		358
Key Club	1,672	263	436		1 400
Lacrosse Club	834	6,805		(112)	1,499
Ladies of Leadership	463	0,803	6,097	(113)	1,429
Library	3,092	112	463 60		2.144
Mac Scholars Summer Project	250	172	00		3,144
Magic Club	98	172			422
Math Club	8,267	540	2.017		98
Mirror	8,318	4,860	2,017		6,790
Martin Luther King - Educational Fund	652	4,600	7,036		6,143
Model UN	032	9,838	0.006	(0	652
N.O.W.	18	9,030	9,906	68	0
PA Climbing Wall	598				18
PA Whitewater Rafting	54				598
Parenting Center	3				54
Parnassian Soc	2,459	3,791	657	4 122	3
Parnassian Edinburgh	22,058	3,791	17,926	4,132	9,725
Photography Club	11	-	17,920	(4,132)	-
Phys Ed Club	517	1,000		(1,000)	11
Pottery Club	58	1,000		(1,000)	517
Premed Club	105	237			58
Principals Special Project	8,185	7,242	12.070	4.015	342
Programming Club	1,310	1,242	12,078	4,215	7,564
PSAT's - SAT's	289		66	(500)	810
Quiklicious Café (Diamond Enterprises)	454		66		223
Quiz Bowl	369				454
Retirement Party	313				369
Robinhood Club	99				313
Robotics Club	8,182	18,649	22.254	1.000	99
SAC (Lester & Cohen)	500	10,049	23,254	1,000	4,577
Science Adventure	3,617	643	53	(500)	500
Science Day	1,862	3,714		(500)	3,708
Seed Project	81	3,714	3,406 480	400	2,570
Shakespeare Festival	1,287	250	659	420	21
Shakespeare Grant	385	230	039		878
Social Studies Club	3,578	191	374	(60)	385
Special Dances	14,410	23,113		(68)	3,327
Spectrum	2,551	500	18,159		19,364
Stage Fund	3,265	300	300	(200)	2,751
Substance Abuse	5,685		843 118	(200)	2,222
Columbia High School Sunshine	1,180				5,567
Synthetic Biology	1,100	292	50		1,130
Tri-County Fencing League	1,437	382 600	145 565		237
UBUNTU Club	308	211	565		1,472
Velocity	735	211	308		211
Weiland Scholarship	733 775				735
World Language	930	1,712	2,530		775
·	. 750	1,/12			112
	\$\$	<u>544,813</u> - 156 -	\$\$ 513,285\$	\$	362,265
		- 156 -			Page 2 of 2

#### **BOARD OF EDUCATION**

## SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHEDULE OF RECEIPTS AND DISBURSEMENTS PAYROLL AGENCY FUND

#### FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>ASSETS</u>		BALANCE JUNE 30, 2016		CASH RECEIPTS		CASH DISBURSEMENTS		TRANSFERS		BALANCE JUNE 30, 2017
Cash	\$_	789,075.75	. \$_	37,587,962.61	\$_	37,539,877.32	\$		\$_	837,161.04
Total Assets	_	789,075.75	. =	37,587,962.61	: :	37,539,877.32	:	_	-	837,161.04
<u>LIABILITIES</u>										
Payroll Deductions Payable:										
Federal Withholding Tax	\$	-	\$	7,056,733.74	\$	7,056,733.74	\$		\$	-
Social Security		_		5,317,971.08		5,317,971.08				-
N.J. Unemployment Tax		15,214.82		174,601.83		140,169.59		(31,616.06)		18,031.00
State Withholding Tax		683.55		2,270,845.03		2,271,528.58				, <b>-</b>
Disability Insurance		24,105.91		199,854.33		182,308.23				41,652.01
Tax Sheltered Annuities				2,370,405.17		2,370,405.17				-
Colonial - Flex / Dep Care		31,671.11		191,384.50		179,139.23				43,916.38
Pension - P.E.R.S.		64,846.27		1,420,252.09		1,427,453.23				57,645.13
Pension - T.P.A.F.		471,399.22		4,514,057.32		4,535,983.87				449,472.67
Credit Union		-		125,805.52		125,805.52				-
Dues		158,228.79		814,654.79		806,305.84				166,577.74
State FICA contribution		-		3,453,845.21		3,453,845.21				-
Health Contribution (Emp.)		-		3,432,686.46		3,432,686.46				-
Health Benefits (Board)		-		6,091,544.13		6,091,544.13				-
Mentor		-		1,920.84		-				1,920.84
Garnishee	-	660.00		151,400.57		147,997.44	-	<del></del>		4,063.13
Subtotal	-	766,809.67		37,587,962.61		37,539,877.32	-	(31,616.06)		783,278.90
Interfunds Payable	-	22,266.08					-	31,616.06		53,882.14
	\$ .	789,075.75	\$_	37,587,962.61	<b>\$</b>	37,539,877.32	=	-	\$_	837,161.04

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHEDULE OF RECEIPTS AND DISBURSEMENTS NET PAYROLL ACCOUNT FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BALANCE JUNE 30, 2016		CASH RECEIPTS		CASH DISBURSED	-	BALANCE JUNE 30, 2017
<u>ASSETS</u>							
Cash and Cash Equivalents	\$ 	\$_	34,697,229.48	\$.	34,697,229.48	\$	
Total Assets	Market		34,697,229.48		34,697,229.48	-	
<u>LIABILITIES</u>							
Accrued Salaries		_	34,697,229.48		34,697,229.48	_	
Total Liabilities	\$	\$_	34,697,229.48	\$	34,697,229.48	\$	

## LONG-TERM DEBT SECTION - I

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD GENERAL LONG-TERM DEBT SCHEDULE OF SERIAL BONDS JUNE 30, 2017

Exhibit - I-1 Page 1 of 2

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE AMOUNT	TURITIES AMOUNT	INTEREST	BALANCE JUNE 30, 2016	RETIRED	BALANCE JUNE 30, 2017
School Refunding Bonds, Series 2004	2/1/2004 \$	9,015,000			<del>\$</del>	820,000.00 \$	820,000.00 \$	
Columbia, Middle Schools and Elementary Schools - Various School Rehabilitation	3/21/2005	9,990,000	3/1/2018	810,000.00	4.250%	1,110,000.00	300,000.00	810,000.00
Columbia, Middle Schools, Elementary Schools and Admin Building - Improvement Projects	1 3/13/2008	11,975,000	1/15/2018	475,000.00	4.500%	765,000.00	290,000.00	475,000.00
School Refunding Bonds, Series 2011	8/11/11	6,230,000	11/1/2017 11/1/2018-2019 11/1/2020-2022 11/1/2024-2026 11/1/2024-2026	400,000.00 400,000.00 405,000.00 405,000.00 430,000.00	4,000% 5,000% 4,000% 5,000% 5,000%	4,935,000.00	400,000.00	4,535,000.00
School Bonds, Series 2012 (District-wide Roofing, Mechanical Upgrades, Bathroom Renovations, Auditorium Ventilation Upgrades, Sidewalks & Parking Lots Addition to Maplewood Middle School Alterations to Montrose School Science Lab Various Renovations & Improv. To CHS)	2/23/12	13,858,000	3/1/2018 3/12019-2021 3/1/2022-2030 3/1/2031 3/1/2032	758,000,00 800,000,00 800,000,00 800,000,0	2.300% 2.000% 3.000% 3.125% 3.250%	12,508,000.00	550,000.00	11,958,000.00

	SCHOO	BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD GENERAL LONG-TERM DEBT SCHEDULE OF SERIAL BONDS JUNE 30, 2017	BOARD OF EDUCATION RICT OF SOUTH ORANGE AND GENERAL LONG-TERM DEBT SCHEDULE OF SERIAL BONDS JUNE 30, 2017	TION GE AND MAPL! M DEBT L BONDS	EWOOD			Exhibit - I-1 Page 2 of 2
ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL M DATE	ANNUAL MATURITIES DATE AMOUNT	INTEREST	BALANCE JUNE 30, 2016	RETIRED	BALANCE JUNE 30, 2017
School Bonds, Series 2014	3/27/14	5,080,000	3/15/2018 3/15/2019 3/15/2020 3/15/2021 3/15/2022 3/15/2024 3/15/2025 3/15/2026 3/15/2026 3/15/2026	320,000.00 330,000.00 345,000.00 355,000.00 365,000.00 380,000.00 405,000.00 415,000.00 445,000.00	1.250% 2.000% 2.000% 2.000% 2.350% 2.350% 2.500% 2.600%	4,490,000.00	310,000.00	4,180,000.00
School Refunding Bonds, Series 2015	2/12/15	15,535,000	1/15/2019 1/15/2020 1/15/2021 1/15/2021 1/15/2022 1/15/2022 1/15/2023 1/15/2023 1/15/2023 1/15/2023 1/15/2023 1/15/2024 1/15/2025 1/15/2025 1/15/2025 1/15/2025 1/15/2025	1,230,000.00 1,295,000.00 100,000.00 1,275,000.00 75,000.00 1,385,000.00 420,000.00 1,125,000.00 1,640,000.00 1,675,000.00 1,675,000.00 1,720,000.00 1,775,000.00	4.000% 4.000% 4.000% 5.000% 4.000% 5.000% 5.000% 5.000% 4.000% 4.000% 4.000%	15,535,000.00		15,535,000.00

# SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD BUDGETARY COMPARISON SCHEDULE GENERAL LONG-TERM DEBT FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	TO LEAN DIVERS	100 TATE 201 TATE	<b>~</b> 1		
	Original Rudget	Budget Transfers	Final Budoet	Actual	Variance Positive (Negative) Final to Actual
REVENUES:	20422	A T WAS A T WA			
Local Sources: Local Tax Levy	\$ 3,833,697.00		\$ 3,833,697.00	\$ 3,833,697.00	· ·
Total Local Sources:	3,833,697.00	1	3,833,697.00	3,833,697.00	1
State Aid - Debt Service	308,337.00		308,337.00	308,337.00	-
Total - State Sources	308,337.00		308,337.00	308,337.00	ſ
Total Revenues	4,142,034.00		4,142,034.00	4,142,034.00	1
EXPENDITURES: Regular Debt Service: Redemption of Bond Principal Bond Interest	2,670,000.00		2,670,000.00 1,482,635.00	2,670,000.00	1 1
Total Regular Debt Service	4,152,635.00		4,152,635.00	4,152,635.00	1
Total Expenditures	4,152,635.00		4,152,635.00	4,152,635.00	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,601.00)		(10,601.00)	(10,601.00)	ı
Fund Balance, July 1	10,601.12		10,601.12	10,601.12	ı
Fund Balance, June 30	\$ 0.12		\$ 0.12	\$ 0.12	۱ 😵

## SECTION – J

#### Financial Trends

BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

NET ASSETS/NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (UNAUDITED) (ACCRUAL BASIS OF ACCOUNTING)

## FISCAL YEAR ENDING JUNE 30.

		T TO COL	CATACATA CATACATA	30770						
GOVERNMENTAL ACTIVITIES	2008	2009	2010	2011	2012	2013	2014*	<u>2015*</u>	<u>2016*</u>	2017*
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT RESTRICTED UNRESTRICTED	\$3,962,926 23,085,119 2,765,976	\$3,962,926 \$15,562,144 23,085,119 18,891,062 2,765,976 284,974	\$ 16,882,788 12,826,389 679,278	\$17,854,746 9,379,989 537,029	\$9,033,308 19,268,216 347,030	\$11,161,336 16,522,435 (40,962)	\$ 9,575,915 18,065,580 (16,847,811)	\$16,040,714 \$ 13,469,085 (17,966,667)	21,095,323 \$ 11,875,841 (18,288,008)	22,301,302 14,101,308 (19,763,888)
TOTAL GOVERNMENTAL ACTIVITIES NET ASSETS/POSITION	29,814,021	34,738,180	30,388,455	27,771,764	28,648,554	27,642,810	10,793,684	11,543,131	14,683,156	16,638,722
BUSINESS-TYPE ACTIVITIES INVESTED IN CAPITAL ASSETS, NET OF REI ATEN DERT	777 56	164 604	144 409	271 545	246.288	225 731	205 173	179 451	179 317	138 830
RESTRICTED  UNRESTRICTED	680.663	604.803	495.599	441.402	550.880	619.799	679,832	610.202	513.100	704.327
TOTAL BUSINESS-TYPE ACTIVITIES NET ASSETS/POSITION	704,390	769,407	640,008	712,947	797,168	845,530	885,005	789,653	692,417	843,158
DISTRICT- WIDE INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	3.986,653	15,726,748	17,027,197	18,126,291	9.279.596	11,387,067	9.781.089	16,220,165	21.274.641	22,440,133
RESTRICTED INRESTRICTED	3,446,639	18,891,062	12,826,389	9,379,989	19,268,216	16,522,435	18,065,580	13,469,085	11,875,841	14,101,308
TOTAL DISTRICT NET ASSETS/POSITION 30,518,411	30,518,411	35,	31,028,463	28,484,710	29,445,722	28,488,339	11,678,689	12,332,784	15,375,573	17,481,880

\* Reflects implementation of GASB Statement No. 68.

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

CHANGES IN NET ASSETS/NET POSITION LAST TEN FISCAL YEARS (UNAUDITED) (ACCRUAL BASIS OF ACCOUNTING)

FISCAL YEAR ENDING JUNE 30,

	2008	2009	2010	2011	2012	<u>2013</u>	2014	2015	2016	2017
EXPENSES GOVERNMENTAL ACTIVITIES: INSTRUCTION: REGULAR SPECIAL EDUCATION OTHER SPECIAL INSTRUCTION OTHER INSTRUCTION NONPUBLIC SCHOOL PROGRAMS	\$29,128,062 7,781,338 1,689,596 917,221	\$ 29,477,570 8,300,549 1,947,273 1,012,160	\$36,695,649 9,999,322 2,238,069 1,118,056	\$33,339,567 10,669,734 2,200,605 1,028,358	\$33,833,756 12,053,984 2,211,868 1,186,800	\$ 35,474,874 11,153,158 2,052,897 1,108,479	\$ 37,145,938 11,537,515 1,775,414 1,165,760	\$ 36,484,007 11,352,097 1,717,232 1,120,373	\$ 36,506,734 12,162,288 1,723,872 1,265,473	\$ 35,264,146 13,273,109 1,768,948 1,148,002
SUPPORT SERVICES: COMMUNITY SERVICE PROGRAMS TUITION STUDENT & INST. RELATED SERVICES SCHOOL ADMINISTRATION SERVICES GENERAL & BUSINESS ADMIN. SERVICES PLANT OPERATION AND MAINTENANCE PUPIL TRANSPORTATION BUSINESS & OTHER SUPPORT SERVICES UNALLOCATED BENEFITS	35,079 7,375,513 11,019,349 6,156,394 1,514,304 12,557,494 4,965,339 20,114,203	91,710 8,639,232 12,299,547 5,982,499 2,000,706 12,804,947 4,950,166	134,870 8,328,878 12,692,494 7,321,216 1,581,377 12,337,146 4,411,418 19,161,217	8,213,151 12,469,065 4,568,840 4,744,345 11,109,805 4,187,246	8,022,096 13,195,842 4,886,801 3,269,586 11,561,015 4,466,756	9,585,237 12,561,373 4,856,641 3,593,123 12,507,940 4,288,427	8,539,915 12,962,612 4,997,387 3,974,176 13,163,428 4,476,745	9,858,975 12,811,626 4,777,984 3,542,331 12,978,531 5,129,751 25,496,099	- 10,983,798 12,885,353 5,026,322 3,424,772 11,976,463 5,128,711 27,832,410	12,442,167 12,266,153 4,882,038 3,771,286 13,669,091 5,228,746
SPECIAL SCHOOLS TRANSFER TO CHARTER SCHOOL INTEREST ON LONG TERM DEBT BOND ISSUE COSTS UNALLOCATED DEPRECIATION CAPITAL OUTLAYS TOTAL GOVERNMENTAL ACTIVITIES EXPENSES	1,350,612 958,406 3,244,438 108,807,348	34,280 1,571,420 1,315,398 174,953 105,124,853	10,957 1,695,615 2,145,655 110,350	41,721 - 1,540,710 2,043,226 - 116,531,628	109,933 - 1,522,773 2,239,487 - - 119,461,724	225,577 - 1,730,517 2,349,844 - 125,013,781	205,055 - 1,680,406 2,287,569 - 127,511,742	345,050 1,708,774 115,556 2,719,267	333,339 - 1,179,056 - 2,676,469 133,105,060	263,831 - 1,087,854 - 2,748,029 137,062,227
BUSINESS - TYPE ACTIVITIES: FOOD SERVICE OTHER TOTAL BUSINESS-TYPE ACTIVITIES EXPENSES	1,678,655	1,807,416	2,101,139	1,868,829	1,951,781	2,004,728	2,023,553	2,094,289	2,166,949	2,060,320 221,691 2,282,011
TOtal DISTRICT EXPENSES	110,486,003	106,932,269	122,083,428	118,400,457	121,413,505	127,018,509	129,535,295	132,251,941	135,272,009	139,344,238
PROGRAM REVENUE GOVERNMENTAL ACTIVITIES: CHARGES FOR SERVICES: OPERATING GRANTS AND CONTRIBUTIONS CAPITAL GRANTS AND CONTRIBUTIONS TOTAL GOVERNMENTAL ACTIVITIES PROGRAM REVENUE	2,822,489	1,593,528	4,199,929	13,442,042	16,449,597	18,506,185	18,756,585	19,596,194	21,342,238	21,683,549

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

CHANGES IN NET ASSETSMET POSITION LAST NINE FISCAL YEARS (UNAUDITED) (ACCRUAL BASIS OF ACCOUNTING)

FISCAL YEAR ENDING JUNE 30,

2017	<del></del>	265,254 784,307	2,432,751	2,432,751	(115,378,678)	111,726,677 3,833,697 903,112 299,967 570,791 117,334,244 117,334,244	2,106,306
<u>2016</u>	\$ 1,281,564 \$	788,150	2,069,714	2,069,714	(111,762,822)	109,134,877 3,688,091 1,590,412 489,467 114,902,847 114,902,847 3,140,025 (97,235)	3,042,789
2015	1,188,365	804,303	1,992,668	1,992,668	(110,561,458)	106,563,115 3,936,160 514,030 - 297,609 111,310,914 111,310,914 749,456 (101,620)	647,836
2014	\$ 1,280,673 \$	782,356	2,063,029	2,063,029	(108,755,157)	104,473,642 3,890,933 106,233 106,233 108,908,794 108,908,794 153,637 39,476	193,113
2013	\$ 1,273,417	779,673	2,053,090	2,053,090	(106,507,596) 48,362	101,959,453 3,324,625 74,465 - 143,309 105,501,852 105,501,852 (1,005,744) 48,362	(957,382)
2012	\$ 1,262,004	773,999	2,036,003	2,036,003	(103,012,127) 84,221	99,960,248 3,258,423 45,920 106,089 518,237 103,888,916 103,888,916 876,789 876,789	961,010
2011	\$ 1,223,792	734,030	1,957,822	1,957,822	(103,089,586)	98,000,243 3,301,184 402,621 20,335 175,273 (361,969) 101,537,687 (1,551,899) 88,993	(1,462,905)
2010	\$ 1,268,938	702,802	1,971,740	1,971,740	(115,782,360) (129,399)	94,670,065 3,223,541 13,079,576 90,247 5,835 363,370 - 111,432,634 (4,349,726) (129,399)	(4,479,125)
2009	\$ 1,215,663	656,770	1,872,433	3,465,961	(103,531,325)	90,709,873 3,436,650 13,24,130 22,720 386,127 575,980 - 108,455,484 4,924,159 65,017	4,989,176
2008	\$ 1,178,485	586,524	1,765,009	4,587,498	(105,984,859)	86,724,181 2,953,492 15,303,726 30,572 1,468,378 (1,538,075) 105,821,910 105,821,910 (162,949)	(76,595)
	YPE ACTIVITIES FOR SERVICES ERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS TOTAL BUSINESS TYPE ACTIVITY PROG. REVENUE	TOTAL DISTRICT PROGRAM REVENUE	NET (EXPENSE)/ REVENUE: GOVERNMENTAL ACTIVITIES BUSINESS - TYPE ACTIVITIES FOR AT PROPERTY MADE ATTENDED	GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS/POSITION GOVERNMENTAL ACTIVITIES: PROPERTY TAXES LEVIED FOR GEN. PURPOSES, NET TAXES LEVIED FOR DEBT SERVICE UNRESTRICTED GRANTS AND CONTRIUTIONS 15,303,7 TUTION RECEIVED NIVESTIMENT EARNINGS MISCELLANEOUS INCOME EXTRAORDINARY ITEMS TOTAL GOVERNMENTAL ACTIVITIES TOTAL GOVERNMENTAL ACTIVITIES  CHANGE IN NET ASSETS/POSITION GOVERNMENTAL ACTIVITIES  CHANGE IN NET ASSETS/POSITION GOVERNMENTAL ACTIVITIES  GOVERNMENTAL ACTIVITIES  REAL SEASON (162,9) 86.3	TOTAL DISTRICT

BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

FUND BALANCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (UNAUDITED)

(MODIFIED ACCRUAL BASIS OF ACCOUNTING) FISCAL YEAR ENDING JUNE 30,

2017	, ,	,	•			*	1		2,389,338	2,389,338	1,845,184 1,000,000	1,905,619	4,571,828	1 021 228	(5,940)	0 15,116,596
2016	<i>↔</i>	1	•			Þ			2,275,894 \$ 2,389,338 \$ 2,389,338	2,275,894	1,977,406	1,848,073	3,385,129	970 781	(5,940)	10,601
2015	,		•	1 1		1	•			2,471,003	1,315,936	1,607,066	5,788,584	1 141 862	(5,940)	14,605,006
2014			ı	, ,		1			\$ 1,517,905 \$ 2,452,272 \$ 1,949,406 \$ 2,471,003 \$	1,949,406	715,936	1,197,424	11,731,735	1 174 227	(5,940)	19,233,790
<u>2013</u>		r	,	1 1			-		\$ 1,949,406	2,152,272	804,936	1,538,157	10,077,615	1 037 085	1,00%,00	17,555,421
2012	<del>69</del>	,	•	1 1		1	1		\$ 2,452,272	1,517,905	986,936	1,508,912	13,068,030	1 440 545		20,710,761
2011	· ·		•	1 1		1	5		\$ 1,517,905	1,023,192	669,936	1,014,841	5.102.940	1 450 227	(5,940)	10,832,286
2010	\$ 6,365,993 679,278	7,045,271	,	390,485	6,069,848	'	6,460,396									
<u>2009</u>	3 9,672,350 284,974	9,957,324	1	530,029	8,688,557	1	9,218,712									
2008	\$ 6,938,606 \$ 1,577,808	8,516,414	,	1,188,168	16,146,391	'	17,334,681									
	GOVERNMENTAL FUND RESERVED UNRESERVED	TOTAL GENERAL FUND	ALL OTHER GOVERNMENTAL FUNDS RESERVED	UNRESERVED REPORTED IN: SPECIAL REVENUE FUND	CAPITAL PROJECT FUND DERT SERVICE FIND	PERMANENT FUND	TOTAL ALL OTHER GOVERNMENTAL FUNDS	GOVERNMENTAL FUNDS:	RESTRICTED FOR: EXCESS SURPLUS - CURRENT YEAR	EXCESS SURPLUS - PRIOR YEAR - DESIGNATED FOR SUBSEQUENT YEAR EXPENDITURES	CAPITAL RESERVE ACCOUNT MAINTENANCE RESERVE ACCOUNT	COMMITTED TO: YEAR END ENCUMBRANCES	ASSIGNED TO:	UNASSIGNED	GENERAL FUND SPECIAL REVENUE FUND	DEBT SERVICE TOTAL FUND BALANCES

NOTE: FOR YEARS COMMENCING WITH THE 2010-2011 SCHOOL YEAR, THE PROVISIONS OF GASB STATEMENT NO. 54 WERE APPLICABLE

## SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD BOARD OF EDUCATION

## CHANGE IN FUND BALANCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (UNAUDITED

1.98%

1.96%

1.91%

1.92%

1.64%

1.75%

1.72%

1.79%

1.68%

1.70%

DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES

2,265,314

(4,628,774)

1,678,437

(3,155,340)

9,878,476

(2,282,896)

(5,670,370)

(6,675,059)

10,380,582

NET CHANGE IN FUND BALANCES

### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

#### GENERAL FUND - OTHER LOCAL REVENUE SOURCE LAST TEN FISCAL YEARS (UNAUDITED) (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

FISCAL YEAR		INT	TEREST ON	SPE	ECIAL PROJ.						
ENDING JUNE 30,	<b>TUITION</b>	IN	<b>INVESTMENTS</b>		<u>ONATIONS</u>	<u>RENTALS</u>		MISC.		<u>TOTAL</u>	
2007	\$ -	\$	1,022,409	\$	104,497	\$	26,275	\$	46,888	\$	1,200,069
2008	30,579	)	699,629		1,328,209		73,117		66,752		2,198,286
2009	22,720	)	386,127		289,304		51,937		234,739		984,827
2010	90,247	7	5,835		271,729		63,638		170,161		601,610
2011	20,335	5							124,111		144,446
2012	106,089	)							518,237		624,325
2013	74,465	5							143,309		217,774
2014									438,055		438,055
2015									150,776		150,776
2016									489,467		489,467
2017	299,967	7									299,967

Revenue Capacity

BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

# ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS (UNAUDITED)

7 K E E	1.353 1.797 1.797 1.797 1.841 1.841 1.761 1.761 1.381 1.486 1.546 1.962 0.020 2.139 2.139 2.139
TOTAL SCHOOL DISTRICT TAX RATE	<b>↔</b>
ESTIMATED ACTUAL EQUALIZED VALUE	3,897,209,748 3,913,762,201 3,929,710,93,687,936,5119 3,587,942,459 3,309,031,180 3,405,509,69 3,486,919,950 3,851,597,393 2,844,003,166 2,816,929,008 2,735,221,354 2,662,424,513 2,530,600,097 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304 2,559,085,304
NET VALUATION TAXABLE	2,055,989,880 \$ 2,048,347,462 2,048,347,462 3,281,367,941 3,266,991,783 3,061,195,277 3,066,147,365 3,065,639,430 3,056,982,720 3,851,597,393 2,863,865,102 2,863,865,102 2,863,865,102 2,863,865,102 2,863,865,102 2,248,571,432 2,248,571,432 2,248,477,271 2,241,961,062 2,236,640,556 2,234,931,503 2,384,931,503 2,384,931,503
PUBLIC <u>UTILITIES</u>	\$ 991,180 \$ 1,240,664
MEMO TAX EXEMPT <u>PROPERTY</u>	N/A N/A N/A N/A N/A N/A N/A S 623,276,900 657,327,700 667,327,700 667,327,700 667,327,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,700 667,377,670 667,377,770 677,770
TOTAL ASSESSED <u>VALUE</u>	2,054,998,700 2,075,112,000 2,041,08,000 3,278,876,400 3,058,345,100 3,053,871,100 3,053,871,100 3,054,703,900 3,848,958,300 8,848,958,300 2,242,456,700 2,243,566,700 2,237,665,300
APARTMENT	\$ 10,375,200 \$ 10,919,400
O FARM COMMERCIAL INDUSTRIAL APARTMENT	\$ 13,710,500 13,710,500 13,710,500 26,078,700 25,299,700 22,211,700 20,903,900 24,988,300 37,888,000 37,888,000 37,888,000 3,135,000 2,237,700 2,237,700 2,237,700 2,202,700 2,202,700 2,202,700 2,202,700 2,202,700 2,166,600 4,089,400
COMMERCIAL	\$ 182,742,100 181,895,900 180,627,200 309,098,700 285,140,500 278,290,000 278,
<u>O FARM</u>	S N/A
FARM <u>REG</u>	S
RESIDENT.	1,843,762,400 1,845,206,600 1,843,206,600 2,908,719,100 2,895,300,000 2,715,373,800 2,723,007,400 2,723,007,400 2,723,007,400 3,416,436,700 3,416,436,700 3,416,436,700 2,508,461,740 2,508,461,740 2,508,461,740 2,011,927,600 2,011,927,600 2,008,258,300 2,008,258,300 2,008,258,300 2,008,258,300 2,008,258,300 2,008,258,300 2,008,258,300 2,008,258,300 2,008,578,800 2,541,976,600
VACANT <u>LAND</u> IOWNSHIP	\$ 4,408,500 \$ 4,390,800 \$ 4,390,800 \$ 6,569,100 \$ 8,461,000 \$ 9,257,000 9,4257,000 9,4257,000 10,265,800 11,638,600 11,638,600 \$ 25,661,900 10,029,500 10,
YEAR ENDING VACAN <u>DECEMBER 31</u> LAND MAPI FWOOD TOWNSHIP	2008 8 4,408,50 2009 4,390,88 2010 6,569,100 2013 8,958,80 2014 9,257,00 2015 9,402,00 2015 10,269,80 2017 1,638,60 2017 0,269,80 2010 1,638,60 2010 2,5661,90 2011 1,638,60 2011 1,638,60 2011 1,638,60 2012 2010 1,029,50 2013 10,029,50 2014 9,993,90 2016 7,595,50

### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

## DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS (UNAUDITED) (RATE PER \$100 OF ASSESSED VALUE)

#### SOUTH ORANGE/MAPLEWOOD

		SCHOOL DISTRICT OVERLAPING RATES											
	TOTAL								TOTA	L DIRECT			
FISCAL		GENERAL	DIRECT N			IAPLE-	SOUTH				AND		
YEAR END	<b>BASIC</b>	<u>OBLIGATION</u>		<u>SCHOOL</u>		VOOD	ORANGE	<b>ESSEX</b>		OVERLAPPING			
<u>JUNE, 30</u>	<u>RATE</u>	<b>DEBT SERVICE</b>	TAX RATE		TWP.		<u>VILLAGE</u>	<b>COUNTY</b>		TAX RATE			
MAPLEWOOD TOWNS	<u>SHIP</u>												
2008	N/A	N/A	\$	2.564	\$	1.20		\$	0.70	\$	4.46		
2009	N/A	N/A		2.681		1.23			0.75		4.66		
2010	N/A	N/A		2.805		1.29			0.78		4.88		
2011	N/A	N/A		1.797		0.81			0.49		3.10		
2012	N/A	N/A		1.841		0.83			0.51		3.19		
2013	N/A	N/A		2.002		0.91			0.55		3.46		
2014	N/A	N/A		2.041		0.92			0.56		3.52		
2015	N/A	N/A		2.082		0.94			0.58		3.60		
2016	N/A	N/A		2.135		0.96			0.60		3.70		
2017	N/A	N/A		1.761		0.78			0.51		3.05		
SOUTH ORANGE VILI	LAGE												
2008	N/A	N/A		1.367			0.69		0.39		2.45		
2009	N/A	N/A		1.430			0.72		0.39		2.54		
2010	N/A	N/A		1.490			0.74		0.40		2.63		
2011	N/A	N/A		1.546			0.76		0.43		2.73		
2012	N/A	N/A		1.962			0.96		0.54		3.47		
2013	N/A	N/A		2.025			0.98		0.55		3.55		
2014	N/A	N/A		2.090			0.99		0.58		3.66		
2015	N/A	N/A		2.139			1.01		0.59		3.74		
2016	N/A	N/A		2.190			1.03		0.61		3.83		
2017	N/A	N/A		1.752			0.82		0.50		3.07		

#### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

#### PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND TEN YEARS AGO (UNAUDITED)

	2008			2017	
	TAXABLE DIR ASSESSED AS	F TOTAL ECT NET SESSED ALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DIRECT NET ASSESSED <u>VALUE</u>
MAPLEWOOD TOWNSHIP					
MARCUS WARD HOMESTEAD MAPLWOOD COUNTRY CLUB GARDENS AT MAPLEWOOD MAPLEWOOD URBAN RENE VAL STATION HOUSE AP CO SILBERT WALGREEN CO REAL ESTATE TAX V AND F PROPERTIES, LLC TITAN MANAGEMENT GROUP LLC LLOYD HARBOR ASSOCIATES LLC LVP ASSOCIATES LLC	NOT AVAILABLE	\$	45,000,000 10,301,000 9,755,100 7,950,000 7,183,600 6,168,700 5,831,400 5,174,200 5,000,000 4,595,400	1 2 3 4 5 6 7 8 9	1.17% 0.27% 0.25% 0.21% 0.19% 0.16% 0.15% 0.13% 0.13% 0.12%
TOTAL	- (	).00% \$	106,959,400		2.78%
ASSESSED VALUATION	\$ 2,055,989,880	\$	3,851,597,393		
		<u></u>		2017	
SOUTH ORANGE VILLAGE SOUTH ORANGE PROPERTY WEILL, TR./PATHMARK 10 N. RIDGEWOOD RD. LLC ORANGE EDUCATION FOUNDATION CONCORD APTS 8 & 111 REALTY MANAGEMENT, LLC ORANGE LAWN COUNTRY CLUB VOSE AVE. PROPERTY HALSEY GARDENS 258 LLC SO MTN HOLDINGS LLC	NOT AVAILABLE	\$	17,850,200 8,664,600 8,417,200 6,957,900 6,925,100 6,252,200 5,829,300 4,874,500 4,400,000 4,372,400	1 2 3 4 5 6 7 8 9	0.63% 0.31% 0.30% 0.25% 0.24% 0.22% 0.21% 0.17% 0.16% 0.15%
TOTAL	\$ -	0.00%\$	74,543,400		2.63%
ASSESSED VALUATION	\$ 1,014,214,000	\$	2,838,699,562		

#### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

#### PROPERTY TAX LEVIES AND COLLECTIONS FOR THE LAST TEN YEARS (UNAUDITED)

YEAR ENDED <u>DECEMBER 31,</u>	TAXES L FOR T <u>YEA</u>	HE	OLLECTED FOR THE YEAR	PERCENT		IN SUB	EECTION SEQUENT EARS*
MAPLEWOOD TOV	VNSHIP						
2007	\$ 86,	977,159	\$ 85,973,033	9	8.78%		N/A
2008	92,	119,125	91,038,467	9	8.82%	]	N/A
2009	96,	108,000	94,216,909	9	8.04%		N/A
2010	100,	094,013	98,183,127	9	8.09%	,	N/A
2011	102,	031,609	100,385,212	9	8.39%		N/A
2012	104,	450,823	102,140,491	9	7.79%		N/A
2013	106,	289,445	105,052,843	9	8.84%		N/A
2014	108,	406,480	106,806,631	9	8.52%		N/A
2015	110,	773,226	109,475,414	9	8.83%		N/A
2016	113,	174,060	111,584,156	9	8.60%		N/A
SOUTH ORANGE	VILLAGE						
2007	66,	095,066	65,316,760	9	8.82%	•	N/A
2008		068,207	69,199,375	9	8.76%		N/A
2009	72,	526,155	71,706,121	9	8.87%		N/A
2010	74,	606,675	73,010,281	9	7.86%		N/A
2011	76,	553,520	75,018,467	9	7.99%		N/A
2012	77,	996,174	77,111,671	9	8.87%		N/A
2013	79,	971,806	78,924,166	9	8.69%		N/A
2014	82,	178,085	81,114,513	9	8.71%		N/A
2015	83,	655,196	82,559,313	9	8.69%		N/A
2016	85,	531,963	84,566,569	9	8.87%		N/A

<sup>\* -</sup> New Jersey School Taxes are levied and collected by the constituent municipalities that comprise the District. All New Jesrey school distrricts are entitled to full payment of school taxes levied by the close of the school year for which the taxes were levied. Payments follow statutory or negotiated payment schedules.

Debt Capacity

BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

## RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS (UNAUDITED)

						<b>BUSINESS TYPE</b>	(T)			
			<b>GOVERNMENTAL ACTIVITIES</b>	AL ACTIVITI	SE	<u>ACTIVITIES</u>				
		GENERAL	CERTIFICATES		BOND			<b>PERCENTAGE</b>		
	FISCAL YEAR	OBLIGATION	OF	CAPITAL	ANTICIPATION	CAPITAL	TOTAL	OF PERSONAL	PER	
	ENDING JUNE 30,	BONDS	<u>PARTICIPATION</u>	LEASES	NOTES	<u>LEASES</u>	DISTRICT	INCOME	CAPITA	۷I
	2008	\$ 40,140,795	€	· ·	ı <b>⊹</b>	ı ∽	\$ 40,140,795	N/A	\$ 1,0	62
	2009	38,304,452	•	ī	•	•	38,304,452	N/A	1,0	80
- 1		36,173,671	•	1	r	ı	36,173,671	N/A	6	52
.77		34,170,957	•	1	4,555,753	•	38,726,710	N/A	5	99
-	2012	45,716,952	•	1	•	•	45,716,952	N/A	1,1	39
	2013	43,689,097	•	1	•	•	43,689,097	N/A	1,0	82
	2014	46,328,000	•	•		1	46,328,000	N/A	1,1	36
	2015	42,758,000	,	•	•	•	42,758,000	N/A	1,0	1,042
	2016	40,163,000	•	•	1	ı	40,163,000	N/A	6	78
	2017	37,493,000	1	•	1	ı	37,493,000	N/A	6	16

#### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

#### RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS (UNAUDITED)

					PERCENTAGE OF	
	GENERAL		NET	GENERAL	ACTUAL TAXABLE	
FISCAL YEAR	OBLIGATION		BO	NDED DEBT	VALUE 0F	PER
ENDING JUNE 30,	BONDS	DEDUCTIONS	<u>OU'</u>	<u>rstanding</u>	<b>PROPERTY</b>	<u>CAPITA</u>
2008	\$ 40,140,795		\$	40,140,795	0.815%	\$1,062
2009	38,304,452			38,304,452	0.566%	1,008
2010	36,173,671			36,173,671	0.739%	952
2011	34,170,957			34,170,957	1.184%	966
2012	45,716,952			45,716,952	0.751%	1,139
2013	43,689,097			43,689,097	0.823%	1,082
2014	46,328,000			46,328,000	0.874%	1,136
2015	42,758,000			42,758,000	0.716%	1,042
2016	40,163,000			40,163,000	0.672%	978
2017	37,493,000			37,493,000	0.627%	916

#### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

#### <u>DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT</u> <u>AS OF JUNE 30, 2017 (UNAUDITED)</u>

GOVERNMENTAL UNIT	<u>OU</u>	DEBT TSTANDING	ESTIMATED PERCENTAGE APPLICABLE	5	STIMATED SHARE OF ERLAPPING <u>DEBT</u>
DEBT REPAID WITH PROPERTY TAXES					
SOUTH ORANGE VILLAGE	\$	51,693,256	100.00%	\$	51,693,256
MAPLEWOOD TOWNSHIP		35,079,214	100.00%		35,079,214
ESSEX COUNTY (Net)		463,895,105	7.23%		33,539,616
OTHER DEBT (NONE)					0
` ,			•		
SUBTOTAL OVERLAPPING DEBT					120,312,087
BOARD OF EDUCATION DIRECT DEBT			_		40,163,000
TOTAL DIRECT AND OVERLAPPING DE	ЕВТ		:	\$	160,475,087

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 situated within the District. 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.

#### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

#### LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS (UNAUDITED)

#### LEGAL DEBT MARGIN CACULATION FOR FISCAL YEAR 2017 (As of December 31, 2016 per statute) EQUALIZED VALUATION BASIS

ZQC.IZZZZ VIZZITION BINIO	MAPLEWOOD	SO. ORANGE	COMBINED
2016 \$ 2015 2014	3,403,573,761 \$ 3,494,218,547 3,403,573,761	2,560,257,780 2,617,966,698 2,560,257,780	\$ 5,963,831,541 6,112,185,245 5,963,831,541
			18,039,848,327
AVERAGE EQUALIZED VALUAT	ION OF TAXABLE PR	COPERTY	6,013,282,776
DEBT LIMIT (4% X ) ) TOTAL DEBT APP	LICABLE TO LIMIT	·	240,531,311 37,493,000
LEGAL DEBT MA	RGIN		\$ 203,038,311

YEAR LIMIT TO LIMIT MARGIN LIMIT	
2007 \$ 222,643,434 \$ 40,140,795 \$ 182,502,639 18	3.029%
2008 260,429,796 38,304,452 222,125,344 14	.708%
2009 268,176,042 36,173,671 232,002,371 13	.489%
2010 265,994,913 38,726,710 227,268,203 14	.559%
2011 259,632,628 45,716,952 213,915,676 17	.608%
2012 248,180,803 43,689,097 204,491,706 17	.604%
2013 239,726,237 46,328,000 193,398,237 19	.325%
2014 235,812,514 42,758,000 193,054,514 18	.132%
2015 238,479,487 40,163,000 198,316,487 16	.841%
2016	.588%

Demographic and Economic Information

#### **EXHIBIT J-14**

#### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

#### DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS (UNAUDITED)

<u>YEAR</u>	POPULATION	PERSONAL <u>INCOME</u>	PER CAPITA PERSONAL INCOME*	UNEMPLOYMENT RATE
MAPLEWOOD TOWNSHIP				
2006	22,377	N/A	49,158	4.2%
2007	22,091	N/A	51,568	3.8%
2008	21,933	N/A	53,136	4.6%
2009	21,985	N/A	51,288	9.2%
2010	23,881	N/A	53,324	N/A
2011	24,007	N/A	55,014	8.8%
2012	24,030	N/A	55,404	9.1%
2013	24,581	N/A	55,692	6.7%
2014	24,657	N/A	58,319	5.2%
2015	24,700	N/A	60,030	4.6%
2016	24,634	N/A	N/A	3.9%
SOUTH ORANGE VILLAGE	3			
2006	16,146	N/A	49,158	4.5%
2007	15,979	N/A	51,568	4.0%
2008	15,865	N/A	53,136	5.0%
2009	16,018	N/A	51,288	9.8%
2010	16,207	N/A	53,324	N/A
2011	16,274	N/A	55,014	9.4%
2012	16,286	N/A	55,404	9.7%
2013	16,323	N/A	55,692	5.4%
2014	16,362	N/A	58,319	4.9%
2015	16,380	N/A	60,030	4.3%
2016	16,319	N/A	N/A	3.7%

<sup>\*-</sup>Amounts reported are for the County of Essex, as no sub-county estimates are available

BOARD OF EDUCATION SCHOOL DISTRICR OF SOUTH ORANGE AND MAPLEWOOD

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)

| ∞!   | PERCENTAGE OF<br>TOTAL MUNICIPAL | EMPLOYMENT        | N/A           |
|------|----------------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 2008 |                                  | RANK              | N/A           |
|      |                                  | <b>EMPLOYEES</b>  | N/A           |
|      | PERCENTAGE OF<br>TOTAL MUNICIPAL | <b>EMPLOYMENT</b> | N/A           |
| 2017 |                                  | RANK              | N/A           |
|      |                                  | <b>EMPLOYEES</b>  | N/A           |
|      |                                  | EMPLOYERS         | NOT AVAILABLE |

#### Operating Information

BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

# FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS (UNAUDITED)

	Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Instruction										
	Regular	370.98	387.5	404.28	398.78	398.88	402.8	401.43	398.53	399.04	399.36
	Special Education	80.84	83.84	108.86	104.91	111.49	110.32	106.72	103.84	103.28	113.54
	Other Special Education										
	Vocational										
	Other Instruction	30.7	32.02	30.75	29.1	28.97	28.8	29.3	30.3	28.3	28.7
	Nonpublic School Programs										
	Adult/Continuing Education										
	Support Services										
	Student & Instruction Related Services	190.1	191	202.8	117.17	115.1	111.2	110.4	110.4	108.4	108.9
	General Administration	6	∞	6	6	10.5	6	6	6	6	6
- 1	School Administrative Services	52.4	48.6	49.6	50.6	51.6	48	48	47	45	45
18	Other Adminstrative Services										
5 -	Central Services	П	Ameni Ameni	10	10	10	10	10	10	11	11
-	Administrative Information Technology	4	4	4	ю	3	4	4	4	5	5
	Plant Operations and Maintenance	9.5	10.5	10.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5
	Pupil Transportation	16.4	16.1	16.1	16.1	16.1	14.8	14.5	14.0	14.0	14.0
	Other Support Services										
	Special Schools-ETTC										
	Food Service			-						-	
	Child Care										
	Total	775.92	793.56	846.89	749.16	756.14	749.42	743.85	737.57	733.52	745.00

BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

OPERATING STATISTICS LAST TEN FISCAL YEARS UNAUDITED)

	STUDENT ATTENDANCE PERCENTAGE	95.00%	95.00%	95.10%	95.00%	95.12%	95.70%	95.70%	95.72%	95.81%	95.78%	95.41%
	% CHANGE IN AVERAGE DAILY ENROLLMENT	-1.44%	-0.38%	1.66%	3.76%	1.23%	0.59%	1.55%	2.48%	1.05%	0.29%	1.00%
	AVERAGE DAILY ATTENDANCE	5,805	5,783	5,889	6,070	6,155	6,229	6,326	6,484	6,558	6,575	6,641
	AVERAGE DAILY ENROLLMENT	6,112	6,089	6,190	6,392	6,471	6,509	6,610	6,774	6,845	6,865	6,960
OĮ.	SENIOR HIGH SCHOOL	11-1	11-1	11-1	11-1	10-1	12-1	12-1	12-1	12-1	13-1	11-1
PUPIL/TEACHER RATIC	MIDDLE	10-1	11-1	11-1	11-1	10-1	12-1	12-1	12-1	12-1	13-1	11-1
PUPIL/TE	ELEMENTARY	11-1	11-1	11-1	11-1	11-1	12-1	12-1	12-1	12-1	13-1	10-1
1	TEACHING STAFF	482	483	503	544	533	539	542	537	533	531	542
	PERCENTAGE <u>CHANGE</u>	11.00%	2.34%	4.67%	4.29%	-1.19%	6.15%	8.01%	-1.87%	1.03%	3.37%	3.27%
	COST PER PUPIL	\$ 14,339	14,604	15,286	15,940	15,750	16,719	18,059	17,721	17,904	18,508	18,885
	OPERATING EXPENDITURES	\$ 89,029,686	90,765,942	96,422,383	104,138,684	109,920,815	111,534,629	117,743,827	119,725,396	122,197,814	126,819,419	130,970,374
	ENROLLMENT	6,209	6,215	6,308	6,533	6'6'9	6,671	6,520	6,756	6,825	6,852	6,935
FISCAL	YEAR ENDING <u>JUNE 30,</u>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017

SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHOOL BUILDING INFORMAGTION LAST TEN FISCAL YEARS (UNAUDITED)

2016 2017	63,071 63,071	71,293 71,293	53,297 53,297	74,355 74,355	56,230 56,230	19,300 19,300	67,264 67,264
	483 483	498 498	450 450	400 400	419 419	154 154	575 575
	573 578	489 486	531 536	518 534	451 449	152 152	639 632
2015	63,071	71,293	53,297	74,355	56,230	19,300	67,264
	483	498	450	400	419	154	575
	556	523	533	540	446	151	603
2014	63,071	71,293	53,297	74,355	56,230	19,300	67,264
	483	498	450	400	419	154	575
	557	575	486	525	447	152	617
2013	63,071	71,293	53,297	74,355	56,230	19,300	67,264
	483	498	450	400	419	154	575
	518	544	509	528	448	169	617
2012	63,071	71,293	53,297	74,355	56,230	19,300	67,264
	483	498	450	400	419	154	575
	500	507	485	514	457	168	609
2011	63,071	71,293	53,297	74,355	56,230	19,300	67,264
	483	498	450	400	419	154	575
	510	472	510	526	468	145	597
2010	63,071	71,293	53,297	74,355	56,230	19,300	67,264
	483	498	450	400	419	154	575
	483	433	450	525	416	212	620
<u>2009</u>	63,071	71,293	53,297	74,355	56,230	19,930	67,264
	483	498	450	400	419	154	575
	453	418	443	482	361	217	591
2008	63,071 483 462	71,293 498 379	53,297 450 422	74,355 400 430	931) 56,230 419 367	EX (1952) 19,930 154 202	67,264 575 575
Elementary	CLINION (1922) Square Feet Capacity Enrollment	JEFFERSON (1920) Square Feet Capacity Enrollment	MARSHALL (1920) Square Feet Capacity Enrollment	SETH BOYDEN (1920) Square Feet Capacity Enrollment	SOUTH MOUNTAIN (1931) Square Feet S6 Capacity Enrollment	SO. MOUNTAIN ANNEX (1952) Square Feet 19,930 Capacity 154 Enrollment 202	TUSCAN (1921) Square Feet Capacity Enrollment

SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHOOL BUILDING INFORMAGTION LAST TEN FISCAL YEARS (UNAUDITED)

# BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

# SCHEDULE OF REQUIRED MAINTEANCE FOR SCHOOOL FACILITIES

## (UNAUDITED)

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

ΧI	SCHOOL FACILITIES:	PROJECT#	<u>2008</u>	<u>2009</u>	<u>2010</u>	2011	2012	2013	2014	2015	2016	2017
	CLINTON ELEMENTARY COLUMBIA HIGH SCHOOL JEFFERSON ELEMENTARY	N/A N/A N/A	\$ 105,765 567,304 117,975	\$ 179,049 640,264 120,727	\$ 106,182 524,558 87,628	\$ 106,182 \$ 111,812 524,558 578,970 87,628 142,118	\$ 127,938 1,119,690 203,282	\$ 139,244 1,566,309 187,046	\$ 141,974 1,735,156 225,452	\$ 207,993 503,297 233,066	\$ 103,174 875,173 123,687	\$ 115,257 1,163,906 161,100
- 189 -	MAPLEWOOD MIDDLE SCHOOL MARSHALL ELEMENTARY MONTROSE ELEMENTARY	N/A N/A N/A	258,270 120,725 35,291	211,508 131,844 39,479	148,198 100,052 48,609	235,337 142,315 25,410	298,477 96,454 20,450	382,555 152,222 6,518	389,427 132,682 83,318	1,137,858 216,830 45,869	268,823 185,027 106,725	411,372 276,493 65,319
	SETH BOYDEN ELEMENTARY SOUTH MOUNTAIN ANNEX	N/A N/A	263,562 79,376	203,483 78,406	193,665 62,860	132,210 53,028	117,686	172,577 32,790	191,758 29,942	202,362 123,902	211,789 95,281	285,289 172,147
	SOUTH MOUNTAIN ELEMENTARY SOUTH ORANGE MIDDLE SCHOOL TUSCAN ELEMENTARY	N/A N/A N/A	46,909 331,013 93,318	66,769 348,283 187,898	273,802 211,230 162,348	190,128 282,068 109,004	164,964 239,285 232,408	119,315 306,831 217,814	181,382 337,790 208,023	171,659 318,943 106,911	183,847 170,094 178,898	260,397 463,972 279,868
Ö	OTHER FACILITIES	1	2,019,508 102,434	2,207,710	1,919,132	2,002,400	2,742,672	3,283,221	3,656,904 212,168	3,268,690	2,502,517	3,655,120
	TOTAL		2,121,942	,121,942 2,402,239	2,009,583	2,138,366	2,910,738	3,575,681	2,910,738 3,575,681 3,869,072	3,505,519	2,676,729 4,274,689	4,274,689

#### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD INSURANCE SCHEDULE JUNE 30, 2017

#### **UNAUDITED**

The District is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG) and maintains commercial insurance coverages for the various risks to which it is exposed.

The District, through NJSBAIG, has obtained the following coverages for the 2016-2017 fiscal year:

fiscal year:	Coverage	Deductible
School Package Policy - NJSBAIG	<u>coverage</u>	Doddon
Blanket Coverage for Real		
and Personal Property (per occurrence)	\$450,000,000	\$5,000
Blanket Extra Expense	50,000,000	5,000
Valuable Papers	10,000,000	5,000
Demolition & Increased Cost of	,,	-,
Construction (per occurrence)	25,000,000	
Pollutant Cleanup & Removal	250,000	
Flood (per occurrence & aggregate):	,	
Zones A & V	25,000,000	500,000
All Other Zones	75,000,000	10,000
Earthquake (per occurrence & aggregate):	50,000,000	,
Terrorism (per occurrence & aggregate):	1,000,000	
Data Processing Hardware/Software	4,000,000	per list
Equipment Breakdown:		-
CSL per accident for Property & Income	100,000,000	5,000
Off Premises Property	100,000	
Extra Expense	10,000,000	
Service Interruption	10,000,000	
Perishable Goods	500,000	
Data Restoration	100,000	
Contingent Business Income	100,000	
Demolition	1,000,000	
Ordinance or Law	1,000,000	
Expediting Expenses	500,000	
Hazardous Substances	500,000	
Newly Acquired Locations	250,000	
Comprehensive General Liability		
BI and PD (CSL)	11,000,000	
Personal Injury (per occurrence & aggregation		
Employee Benefits Liability	11,000,000	1,000
Automotive (per accident):		
CSL for BI and PD	11,000,000	
	5,000/30,000/5,000	
PIP	250,000	

#### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD INSURANCE SCHEDULE JUNE 30, 2017 UNAUDITED

	Coverage	<u>Deductible</u>
Crime Coverage:		
Public Employee Faithful Performance	250,000	1,000
Theft, Disappearance & Destruction	100,000	1,000
Forgery or Alteration	250,000	1,000
Computer Fraud	250,000	1,000
Public Officials Bond:		
Board Secretary	150,000	1,000
Treasurer	500,000	1,000
Assistant Board Secretary	150,000	1,000
Public Employees Dishonesty		
Blanket Bond	250,000	
Workers Compensation (statutory)		
Bodily Injury	2,000,000	
Interscholastic Sports:		
Excess Medical	5,000,000	25,000
Accidental Death	20,000	
Catastrophic Injury	1,000,000	
School Leaders Errors and Omissions		
Limit of Liability	11,000,000	25,000
Environmental Impairment Liability:		
Per Claim	1,000,000	25,000
Aggregate	11,000,000	

Note: Coverage amounts as shown above, unless otherwise noted, represent per occurrence and aggregate annual NJSIG limits.

Source: School Business Administrator

### SINGLE AUDIT SECTION SECTION – K

#### **HODULIK & MORRISON, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
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MEMBERS OF:
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REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

### 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 AUDITORS REPORT

Honorable President and Members of the Board of Education School District of South Orange and Maplewood Maplewood, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the School District of South Orange and Maplewood, in the County of Essex, State of New Jersey, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the district's basic financial statements, and have issued our report thereon dated November 30, 2017.

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

In planning and performing our audit of the financial statements, we considered the Board of Education of the School District of South Orange and Maplewood'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 Board of Education of the School District of South Orange and Maplewood's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the School District of South Orange and Maplewood'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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. 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 Board of Education of the School District of South Orange and Maplewood'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* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

We noted other matters involving compliance and internal control over financial reporting that we have reported to the Board of Education of the School District of South Orange and Maplewood in a separate *Auditors' Management Report on Administrative Findings* dated November 30, 2017.

#### 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.

HODULIK & MORRISON, P.A.

Hodulek : Merrisin, P.A.

Certified Public Accountants

**Public School Accountants** 

Robert S. Morrison

**Public School Accountant** 

PSA # 871

Highland Park, New Jersey

November 30, 2017

#### HODULIK & MORRISON, P.A.

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDREAL AND STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

Honorable President and Members of the Board of Education School District of South Orange and Maplewood Maplewood, New Jersey

#### Report on Compliance for Each Major Program

We have audited the compliance of the School District of South Orange and Maplewood, in the County of Essex, State of New Jersey, with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey Compliance Manual "State Grant Compliance Supplement" that could have a direct and material effect on each of the School District of South Orange and Maplewood's major federal and state programs for the year ended June 30, 2017. The School District of South Orange and Maplewood'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 School District of South Orange and Maplewood's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants and State Aid. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 require that we plan and

perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the School District of South Orange and Maplewood'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 on the School District of South Orange and Maplewood's compliance.

#### Opinion on each Major Federal and State Program

In our opinion, the School District of South Orange and Maplewood complied, in all material respects, with the 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, 2017.

#### Report on Internal Control Over Compliance

The management of the School District of South Orange and Maplewood 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 School District of South Orange and Maplewood's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJOMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District of South Orange and Maplewood's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the 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 significant deficiencies or material weaknesses. 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.

#### Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based upon the requirements of the Uniform Guidance and NJOMB Circular 15-08. Accordingly, this communication is not suitable for any other purpose.

Hadulik & Marisan, P.A. HODULIK & MORRISON, P.A.

Certified Public Accountants Public School Accountants

Robert S. Morrison

**Public School Accountant** 

PSA # 871

Highland Park, New Jersey

November 30, 2017

### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

						Balance					Balance
						June 30, 2016					June 30, 2017
	Federal	Grant or State	Program or				Carryover/				
	CFDA	Project	Award	Grant	Grant Period	Accounts	(Walkover)	Cash	Budgetary		Accounts
Program Title	Number	Number	Amount*	From	ឧ	Receivable	Amount	Received	Expenditures	Adjustments	Receivable
Direct Payments:											r
Special Revenue Fund: CM White Physical Ed.	84.215	VA-0361	1,430,106	9/1/13	8/31/16	(199,704.58)		308,336.44	(108,631.88)	0.02	
Total Special Revenue Fund						(579,365.74)		2,747,411.44	(2,458,549.64)	41,486.37	(249,017.57)
Total Radoral Kinencial Aurande						\$ (55 668 969) \$	•	(80 181 500) \$ 12 486 14 \$ (24 00 880 12) \$ 18 486 10 10 10 10 10 10 10 10 10 10 10 10 10	(3 400 880 73)	75 787 17	(305 187 28)
Lotal Pouchal Fondaloral Comanus						0 (050,050)		2,000,000	(2).(20,(20,(2))	11,700.0	(07:101:077)
								Encumbrances Cancelled	celled	41,486.97	
								Rounding Adjustments	ents	(0.60)	
*- Award Amounts do not include approved carryover funds from prior grant periods	ved carryover fun	ids from prior gran	t periods.							41,486.37	

Note: See Acompanying Notes to Schedules of Expenditures of Awards/Financial Assistance

## BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE FOR THE FISCAL YEAR ENDED JUNE 30,2017

					Bolonge of Line 30, 2016	30 2016	MFMO				Balance at June 30, 2017	le 30, 2017	MEMO	
					Deferred	20, 20, 20, 20, 20, 20, 20, 20, 20, 20,	Carrent			Adjustments/	Deferred			Cymulativa
	Grant or State	Program or Award	Grant Period	Period	Revenue (Accounts	Due to	Budgetary	Cash	Budgetary	of Prior Years'	(Accounts	Due to	Budgetary	Total
Program Title State Dept of Education	Project Number	Amount	From	ឧ	Receivable)	Grantor	Receivable	Received	Expenditures	Balances	Kecelvable	dialio	Necelvanie	Typenataies
General Fund		0,000	917 176	3 21/06/2	٥	•	(343 237 00) \$	343 237 00 \$	69	€9	89	\$	,	,
Special Education Categorical Aid	15-495-034-5120-089	3,630,949	21/1//		9	•	(2011)		(3,583,657.00)				(338,549.00)	(3,583,657.00)
Special Education Categorical Aid	16-495-034-5120-084	162,918	7/1/15	91/08/9			(15,426.00)	15,426.00					(00 035 25)	, , , , , , , , , , , , , , , , , , , ,
Security Aid	17-495-034-5120-084	187,988	91/1//	6/30/17				170,229.00	(187,988.00)				(17,739.00)	(10/,900.00)
Transportation Aid	16-495-034-5120-014	282,031	7/1/15	91/08/9			(26,706.00)	26,706.00	(00 000 000)				(30 601 00)	(323,922,00)
Transportation Aid	17-495-034-5120-014	323,922	7/1/16	6/30/17				6 617 00	(363,744.00)				(1)	,
PARCC Readiness Aid	16-495-034-5120.098	70,160	21/1//	6/30/10			(2011)	63,532.00	(70,160.00)				(6,628.00)	(70,160.00)
PARCC Readiness Aid	16-495-034-5120-096	70 160	7/1/15	6/30/16			(6,617.00)	6,617.00					•	
Per Punil Growth Aid	17-495-034-3120-097	70,160	7/1/16	6/30/17				63,532.00	(70,160.00)				(6,628.00)	(70,160.00)
Professional Learning Comm. Aid	17-495-034-3120-101	71,680	7/1/16	6/30/17				64,908.00	(71,680.00)				(6,772.00)	(71,080.00)
Extraordinary Aid (Spec Ed)	17-100-034-5120-044	1,515,536	7/1/16	6/30/17			(00 850 500 1)	1 007 678 00	(1,515,536.00)				(00:000,010,1)	(00:000,010,1)
Extraordinary Aid (Spec Ed)	16-100-034-5120-044	1,007,978	7/1/15	6/30/16			(1,007,976.00)	1,001,316.00	(91 910 00)		(91.910.00)		ı	(91,910.00)
Non Pub Transportation Aid	17-495-034-5120-014	91,910	7/1/16	6/30/17	(00 00)		•	71 673 00	(20.012,12)					
Non Pub Transportation Aid	16-495-034-5120-014	71,673	50/1//	6/30/10	(71,673.00)			3.282.209.81	(3,453,845.21)		(171,635.40)			(3,453,845.21)
T.P.A.F. Social Security Aid	17-495-034-5094-003	, 603	7/1/16	71/06/0	(175 721 40)			175.731.40			•			•
T.P.A.F. Social Security Aid	16-495-034-5095-003	5,532,403	20,07	6/30/10	(04.151,511)			4.515.161.00	(4,515,161.00)		1			(4,515,161.00)
	17-495-034-5094-001	4,515,101	2////	6/30/17				5,229,408.00	(5,229,408.00)					(5,229,408.00)
T.P.A.F. Pension	17.495-034-5094-002	200 264	7/1/16	6/30/17				200,264.00	(200,264.00)					(200,264.00)
L.F.A.F. Non-Contributory ins. retainment	100-100-100-001												:	
Total General Fund					(247,404.40)		(1,406,581.00)	18,781,658.21	(19,313,691.21)		(263,545.40)	•	(1,922,473.00)	(19,313,691.21)
Special Revenue Fund								00 000	(40,000,00)				(5.940.00)	(59,400,00)
Preschool Education Aid	17-495-034-5120-086	59,400	7/1/16	6/30/17			(5 040 00)	53,460.00	(29,400.00)				-	,
Preschool Education Aid	16-495-034-5120-086	59,400	7/1/15	6/30/16			(2,340.00)	20.04.0						
NJ Nonpublic Aid:	12 000 024 5120 064	0 741	7/1/16	6/30/17				9,741.00	(9,346.40)			394.60		(9,346.40)
Textbook Aid Textbook Aid	16-100-034-5120-064	10,563	7/1/15	6/30/16		739.04				(739.04)				·
Auxiliary Services:								37 624 00	(06 292 81)			19.260.10		(18,363.90)
Compensatory Education	17-100-034-5120-067	37,624	7/1/16	6/30/17		3 897 60		00.440,10	(20.000,01)	(3,892.60)		,		•
Compensatory Education	16-100-034-5120-067	92,149	7/1/16	6/30/10		20.4/0,1		914.00				914.00		
EST	15-100-034-5120-067	548	7/1/16	6/30/17										, ,
Handicapped Services:				F110017		•		13 340 00	(4.551.26)			8,788.74		(4,551.26)
Supplemental Instruction	17-100-034-5120-066	13,340	7/1/16	6/30/16		5 199 50				(5,199.50)		F		,
Supplemental Instruction	16-100-034-5120-066	76.287	7/1/16	6/30/17		2000000		26,287.00	(14,042.60)			12,244.40		(14,042.60)
Examination & Classification	16-100-034-5120-066	11.085	7/1/15	6/30/16		5,284.34				(5,284.34)				(02 000 07
Corrective Speech	17-100-034-5120-066	14,666	7/1/16	6/30/17				14,666.00	(9,787.50)			4,878.50		(9,787.50)
Corrective Speech	16-100-034-5120-066	9,196	7/1/15	91/08/9		2,257.20				(2,257.20)		35 74		(4 358 76)
Technology Initiative	17-100-034-5120-373	4,394	7/1/16	6/30/17				4,394.00	(4,338.76)	(340 55)	4 461 45	4 461 45		(21:000(1)
Technology Initiative	16-100-034-5120-373	4,810	7/1/15	91/08/9		348.55		00 037 0	(00 056 0)	(348.33)	4,104,4	ct.yot.'t		(8.450.00)
Security Aid	17-100-034-5120-509	8,450	7/1/16	6/30/17		407.50		8,430.00	(0,420.00)	(497.50)				
Security Aid	16-100-034-5120-509	4,625	20/1//	6/30/16		457.70		15.210.00		,		15,210.00		
Nursing Services	17-100-034-5120-070	017,01	7/1/15	6/30/16		990.00				(00:006)		,		
Nursing Services	10-100-0210-0210-01										3	50 50 7 1	(6.040.00)	(178 300 43)
Total Special Revenue Fund					,	19,208.73	(5,940.00)	190,026.00	(128,300.42)	(19,208.73)	4,461.45	66,187.03	(3,940.00)	125,000,001

BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE FOR THE FISCAL YEAR ENDED JUNE 30.2017

					2010 Of east Ive 30 2016	30 2016	MEMO				Balance at June 30, 2017	ie 30, 2017	MEMO	
					Deferred					Adjustments/	Deferred			Cumulativa
	i	Program or	į	,	Revenue	Die to	Budoetarv	Cash	Budgetary	Kepayment of Prior Years'	(Accounts	Due to	Budgetary	Total
Program Title	Grant or State Project Number	Award	From To	a 21	Receivable)	Grantor	Receivable	Received	Expenditures	Balances	Receivable)	Grantor	Receivable	Expenditures
School Development Authority  Capital Projects Fund		t		•		ý	\$ (0.2005) 201 \$	€9	69	<b>↔</b>	,	₩.	\$ (1,927,690.20)	(214,187.80)
SDA - CHS Mechanical Upgrades	4900-030-14-1005	\$ 2,141,878	Indefinite Indefinite	A	(29.259.85)	•	(31,680.15)	29,259.85		31,680.15	,		•	(60,940.00)
SDA - Jefferson Mechanical Upgrades	4900-090-14-1011	885.262	Indefinite				(426,783.27)			426,783.27	,			(458,479.00)
SDA - Marshall Roof Replacement	4900-100-14-1014	357,219	Indefinite		(176,699.75)		(180,519.25)	176,699.75	() 2 201 377	180,519.25	1 1			(71.275.00)
SDA-CHS Roof Replacement (D Wing)	4900-030-14-1023	71,275	Indefinite				(71,275.00)	65,107.56	(55,107.36)	6,167,44			,	(487,478.00)
SDA-CHS Roof Replacement (B&D)	4900-030-14-1024	487,478	Indefinite				(170,621.42)	10:00		170,621.42	•			(263,269.00)
SDA-Clinton Window Replacements SDA-Seth Boyden ADA Upgrades	4900-130-14-1015	21,555	Indefinite				(21,555.00)			15 674 41	- (95 105 207)		(00.888,12)	(202,502.00)
SDA-Jefferson Roof Replacement	4900-090-14-1013	218,176	Indefinite		(202,501.59)		(15,674.41)		(158.553.56)	18,377.44	(158,553.56)		•	(196,590.00)
SDA-So. Mtn. Annex Roof	4900-140-14-1017	196,590	Indefinite				(45,513,55)		(1)	45,513.55				(131,174.00)
SDA-CHS Generator	4900-030-14-1022	151,174	Indefinite				(141,799.00)				•		(141,799.00)	(15,786.00)
SDA-MMS Lab Conversion	4900-040-09-1001	590,929	Indefinite		•		(626,065.00)						(626,065.00)	
SDA-Tuscan Window Replacement	4900-130-14-1021	73.441	Indefinite		•		(73,441.00)				,		(73,441.00)	•
SDA-Jerrerson Electrical Opgranes			Indefinite				(27.48)				,		(01:72)	
Total Capital Projects Fund					(408,461.19)		(4,397,053.73)	565,743.18	(518,337.14)	1,088,138.91	(361,055.15)	·	(2,790,577.68)	(2,458,899.80)
Debt Service Fund			į	5110617				308.337.00	(308,337.00)			•		(308,337.00)
Debt Service Aid	17-495-034-5120-017	308,337	91/1//	6/30/1/									•	(308 337 00)
Total Debt Service Fund								308,337.00	(308,337.00)		1			
Enterprise Fund National School Lunch Program	17-100-010-3350-023	18,409	7/1/16	6/30/17	(1.345.85)			17,050.82 1,345.85	(18,408.76)		(1,357.94)			
National School Lunch Program	16-100-010-025			; ;	(01.0004)			18 396 67	(18,408,76)	•	(1,357.94)	,	,	•
Total Enterprise Fund					(4,800.18)			0.000		0.000	\$ (802.04)	\$ 20187.03	(8) 060 812 77	(77 209 228 43)
Total State Financial Assistance				•,	\$ (660,665.77) \$	19,208.73 \$	(660,665.77) \$ 19,208.73 \$ (5,809,574.73) \$ 19,864,161.06 \$ (20,287,074,35) \$ 1,008,930.18 \$ (021,497,04) \$ 00,187.05 \$ (17,19,7,04)	19,864,161.06 \$	(20,287,074.53)	1,068,930.18	(671,457,04)	00,101,00	(2000)	
Less: TPAF Post Retirement Medical									4,515,161.00					
TPAF Pension									200,264.00					

Note: See Accompanying Notes to Schedules of Expenditures of Awards / Financial Assistance.

Total State financial Assistance Subject to State Single Audit.

TRAF Non-Contributory Pension Ins.

\$ (10,342,241.53)

#### BOARD OF EDUCATION SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD

#### NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE JUNE 30, 2017

#### **NOTE 1. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, South Orange and Maplewood School District. The Board of Education is defined in Note 1 to the Boards' 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 awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of the OMB Uniform Guidance, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District did not allocate any indirect costs to any of its federal and/or state financial assistance programs during the 2015-2016 school year.

#### NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget, consistent with *N.J.S.A.* 18A:22-4.2.

#### NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE JUNE 30, 2017

#### NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D.):

The District is the recipient of several School Development Authority (SDA) grants to assist the District in maintaining and upgrading its buildings and grounds. Revenues from these grants is recognized in the financial statements (budgetary and modified accrual) at the point when the District completes the requisite reporting package and files for reimbursements. For purposes of preparing the Schedule of Expenditures of State Financial Assistance, expenditures and budgetary basis revenue/receivables are recognized in the proportions of current year expenditures as specified in the Final Eligible Cost (FEC) certification provided by the SDA. At June 30, 2017 a total of \$518,337 has been reported as expenditures of state financial assistance for the year then ended. Based upon approvals of FECs, \$1,088,139 of previously approved and unexpended SDA funding was cancelled. At June 30, 2017, \$2,970,577 of authorized SDA funding has not been submitted for reimbursement, and has not been recorded as revenues in the financial statements, pending project completion and filing for reimbursement.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$515,892) for the general fund and \$47,292 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$169,253	\$18,787,009	\$18,956,262
Special Revenue Fund	2,567,319	112,775	2,680,094
Capital Projects Fund		518,337	518,337
Debt Service Fund		308,337	308,337
Food Service Fund	765,898	<u>18,409</u>	<u>784,307</u>
Total Awards & Financial Assistance	\$ <u>3,502,470</u>	\$ <u>19,744,867</u>	\$23,247,337

#### NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

#### NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions and Post Retirement Medical represents the amount paid by the state on behalf of the District for the year ended June 30, 2017. 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, 2017.

#### SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Section 1 - Summary of Auditor's Results

Financial Statements				
Type of auditor's report issued:		Unmodified		
Internal Control over financial report	ting:			
1) Material weakness(es) identifie	d?	Yes	X	No
Significant Deficiency(s) identi- are not considered to be material		Yes	X	No
Noncompliance material to basic fina statements noted?	ncial	Yes	X	No
Federal Awards				
Internal Control over major programs	s:			
1) Material weakness(es) identifie	ed?	Yes	X	No
Significant Deficiency(s) identi- are not considered to be material		Yes	X	No
Type of auditor's report issued on cormajor programs:	mpliance for	Unmodified		
Any audit findings disclosed that are in accordance with section 2 CFR		ted Yes	X	No
Identification of major programs:	DADI			
CFDA Number(s)	FAIN Numbers	Name of Federal Pro		luster
84.027	H027A160100	Special Education ( I.D.E.A. Part B, Fo		
84.173	H173A160114	I.D.E.A. Part B, P	reschool	
	***************************************			

Dollar threshold used to distinguish between Type A and B programs:

Auditee qualified as low-risk auditee?

\$750,000.00

#### SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Section 1 - Summary of Auditor's Results (cont'd)

State	A	W	a	rd	ls
				_	_

Dollar threshold used to distinguish between Type A and E	3 programs:	-	\$ 750,000.00	
Auditee qualified as low-risk auditee?	X	Yes _		No
Type of auditor's report issued on compliance for major programs:	Unmodifie	<u>d</u>		
Internal Control over major programs:				
1) Material weakness(es) identified?		_Yes _	X	No.
2) Significant Deficiency(s) identified that are not considered to be material weaknesses?		_Yes _	X	_No
Any audit findings disclosed that are required to be report in accordance with NJOMB Circular Letter 15-08		_Yes _	X	_No
Identification of major programs:				
GMIS Number(s)	Name of S	tate Pro	gram	_
17-100-034-5120-044 17-495-034-5120-017	Extraordir Debt Serv	ice Aid		-
4900-030-14-1024			placement (B&D	_wings) _

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#### SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### Section II - Financial Statement Findings

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance related to the general-purpose financial statements that are required to be reported in accordance with chapter 5.18 of *Governmental Auditing Standards*.

Significant Deficiency(ies)/Material Weaknesses

None Noted.
<u>Noncompliance</u>
None Noted.
Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Uniform Guidance and New Jersey OMB circular 15-08.
Federal and Sate Award Programs:
Significant Deficiency(ies)/Material Weaknesses
None Noted.
Noncompliance
None Noted.

#### SOUTH ORANGE AND MAPLEWOOD SCHOOL DISTRICT SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### Section I - Summary of Prior Year Federal and State Findings

N/A

Section II - Current Year Status

N/A