

**OGDENSBURG BOROUGH  
SCHOOL DISTRICT**

**Ogdensburg Borough Board of Education  
Ogdensburg, New Jersey**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2015**

**Comprehensive Annual  
Financial Report**

**of the**

**OGDENSBURG BOROUGH SCHOOL DISTRICT**

**Ogdensburg, New Jersey**

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

**Prepared by**

**Ogdensburg Borough Board of Education  
Finance Department**

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**OGDENSBURG BOROUGH BOARD OF EDUCATION**  
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**David Astor**  
**Superintendent/Principal**  
**(973) 827-7126 voice**

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**Business Administrator/Board Secretary**  
**(973) 827-2643 fax**

November 23, 2015

The Honorable President and  
 Members of the Board of Education  
 of the Ogdensburg Borough School District  
 County of Sussex  
 Ogdensburg, New Jersey 07439

Dear Honorable President and Board Members:

The Comprehensive Annual Financial Report of the Ogdensburg Borough School District (the "District") for the fiscal year ended June 30, 2015 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Ogdensburg Borough School District (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economical and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** Ogdensburg Borough School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) Codification Section 2100. All funds of the District are included in this report. The Ogdensburg Borough Board of Education and its school constitute the District's reporting entity.

The District continues to provide a full range of educational services appropriate to grade levels Preschool through Grade 8. These include regular, as well as, special education for special needs and an extended school year.

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The District completed the 2014/2015 school year with an average daily enrollment of 273.7 students. This is over 15 students less than the prior year. Our enrollment for September 2015 is projected to be even less, representing a continuing decline. Incoming kindergarten enrollment however, is projected at 31 students, equal to the 2014/2015 school year. If the elementary grade enrollments continue to stay in the 30s, student population may rise once the incoming 8<sup>th</sup> grade class of 19 graduates in 2016.

The District continued to enhance its educational programs by hiring a Supervisor of Instruction this past school year. Support materials targeted curriculum-related resources for teachers such as guided reading texts for each grade level; Lucy Calkins Units of Study Sets; Author Studies Collections for multiple grade levels; and Write Source text for grades 2 – 8.

The primary focus of technology this past school year was to insure the infrastructure would accommodate all the requirements of the PARCC testing. It succeeded with that objective but more was done to the infrastructure this past summer to prepare for future requirements.

The Communications Projects began in 2013/2014 when the District sought financial support from the state for the project. As a result of state approval, the staff returned to work September 2014 to a new VOIP Avaya Telephone System, state of the art Boden public address system and a synchronized Master Clock System.

The highlight of the project was the installation of the leading-edge emergency notification system called SARA. The SARA System enables the District to push a button and have a call answered directly by the police emergency dispatch unit. Staff will no longer dial 911 in an exposed area or give/repeat vital information to an alarm service attendant. Emergency personnel valuable response time is greatly reduced; exposure to danger while placing the call is virtually eliminated. One button is for evacuation and the other is for lock-down. An automated message goes right to dispatch who alerts the Ogdensburg police force as the school readies for the emergency.

Additional capabilities to SARA are extensive. Modular fobs can be ordered and used by staff as they attend to duties anywhere in the building or on the grounds. Units with additional buttons are also available. Calls to administration, the nurse, medical personnel, etc. are all system capabilities.

SARA also broadcasts instructions to the staff over the public address system and/or telephone speaker, sends texts to emergency/administrative personnel, emails to staff or designated individuals and can be accessed from designated laptops. It has its own server and accesses the school server for internet access only.

2. ECONOMIC CONDITONS AND OUTLOOK: The Ogdensburg Elementary School is located in the Borough of Ogdensburg, New Jersey, on the Wallkill River in Sussex County, 53.4 miles from New York City. Land area covers 2.28 miles at an elevation of 693 feet. The community is named after Robert Ogden, a distiller and mine owner. The zinc mine closed in 1986, which curtailed the Borough's economic potential.

When the U.S. Census Bureau released their 2010 data the population of Ogdensburg was confirmed at 2,410. The number declined from 2,638 in the 2000 Census and 2,722 in the 1990 Census. However, the population is decreasing but at a slower rate, from -8.6% to -3.1%.



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The viability of the School District is its 17 and under population. The 2010 Census reported 590 children while the 2000 Census reported 778 children. The annual growth rate is -2.7%. It is unclear if the negative rate is a static percent or perhaps decreasing at a slower rate during the recent years as the housing industry starts to improve.

There are 905 housing units in Ogdensburg according to the 2010 Census. There are 864 houses which are occupied and 41 which are vacant. This represents a vacancy rate of 4.53%. Sussex County's vacancy rate is 11.77%. Of the twenty-four municipalities in Sussex County, Ogdensburg is the fifth smallest in the number of housing units but lowest in its vacancy rate.

As economic constraints remain widespread, Ogdensburg can find encouragement in the numbers and the approach the School District is taking to remain a strong academic presence. The decline of the school population over the last few years is in concert with the census data. In 2006, the school population was 345 students. The lowest number was in this past year with 277 students. Forecasts of student population for the 2015/2016 school year could be even lower. However, the enrollment of 31 students in kindergarten could be the start of a positive turn-around.

Contributing to the school's economic condition is the rise of charter schools. Students have the choice to attend a charter school with a targeted curriculum like science, technology or industry rather than the liberal arts focus of public schools. Ogdensburg Elementary School has about five students on average attending a charter school.

The programs and services afforded to the Ogdensburg community are implemented based on community need and input. The school is supported by a \$4.8 million budget and provides educational programs for children attending preschool through eighth grade. High school age children attend Wallkill Valley Regional High School in nearby Hamburg, New Jersey.

The District also provides an extensive, supportive special services program. On average, the District supports fifty to sixty students with special education needs. The Behavioral Development Program was instituted for two school years to meet the students' specific needs in district. These students graduated this year fully prepared for secondary school.

The District now has over 20% of its population participating in the free or reduced lunch program. The District receives financial support from the State and Federal funded program. The students receive a free or reduced price for their meals.

Breakfast and lunch are available to the full student body. As a result of the District having over 20% of its students receiving free or reduced meals, a concerted effort will be made to increase participation on the school breakfast and lunch menus in the fall.

In the past the voters of the Borough of Ogdensburg have supported the school budget. The District has stayed under the 2% budget growth cap so voter approval of the budget is no longer required. However, there are many examples of the community supporting the School District. The relationship between the Borough and School is held in high regard and beneficial to both. Attendance by school families and community members at all events remain strong. The School has a standing room only audience when performing at holiday events, plays or concerts.

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Every opportunity the Borough and school has to share resources or services such as snow removal, garbage/recycling services, playground maintenance, grounds equipment, etc. they do so. The Ogdensburg Police Department was a primary participant in the design and implementation of the District's new emergency response system. Tour of the police dispatch area secured our understanding of how the system works and our role in making it successful. Ties between the municipality and the school are strong.

3. MAJOR INITIATIVES: Student achievement is the driving force behind all educational decision-making. We believe our commitment to value-added instructional and technology-infused support is the prerequisite to evolutionary improvements.

Technology may still be considered new and innovative to some generations but not to the elementary age students of today. They are unaware of dial phones or pay phones. They have little need to go to a library for research or to check out a book. Paper and pencil are close to being obsolete for them. The elementary student of today is well aware of internet capabilities, social media and texting, etc. For this generation to stay focused and engaged, schools need to provide hand-on devices that are both instructional, and engaging.

All classrooms have projectors and laptops; many have smart boards, mimios or document readers. Teachers have the opportunity to plan lessons with iPads or Notepads or laptops or go online for real-time sharing via wireless internet connections. The technology equipment schedule for turnover is every three years.

Students with special needs or needing assistance to perform at grade level are supported with on-line programs to guide them through lessons giving immediate feedback and assistance. The programs also provide the teachers with student performance evaluations to plan subsequent interactions. The online programs not only support the teacher's lesson plan but continue to allow the students to reinforce the newly acquired knowledge with additional interactive activities in a fun but stimulating way. On-course, Lexia Learning, MAPS, Learning A-Z, and Career Cruising are just a few of the programs the staff utilizes to ensure children are reaching their potential.

As mentioned previously, the District hired a Supervisor of Instruction at the beginning of this school year to ensure that the programs and services are utilized, maintained and updated; and to provide the teaching staff with the essential support to bring innovation to the classroom.

The Communications Project which included installation of the new Avaya Telephone System, Bogen Public Address System and Master Clocks, and the Emergency Response System, was completed this school year. The District was the first in the county to have direct access to the police emergency dispatch unit as a result of the project. The Communication Project was funded 60% by the District and 40% by the state.

The improvements to the Library, although mostly aesthetic, present a welcoming vibe to both the elementary and middle school students alike. Its contemporary look, new assortment of books and computer availability has made it a great place to engage. The District is looking for a part-time librarian to continue its renovation.

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4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).

The internal control system 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 awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

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

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

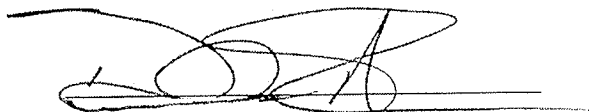
An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as fund balance restrictions,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

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, auto liability and comprehensive/collision, hazard and theft insurance on property and contents, workers' compensation, and fidelity bonds. The District is a member of the School Alliance Insurance Fund ("SAIF"). The SAIF is a risk-sharing public entity risk management pool that is

The Honorable President and Members  
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both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to its members. A schedule of insurance coverage is found on Exhibit J-20.

9. OTHER INFORMATION: **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.
10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Ogdensburg Borough School District for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

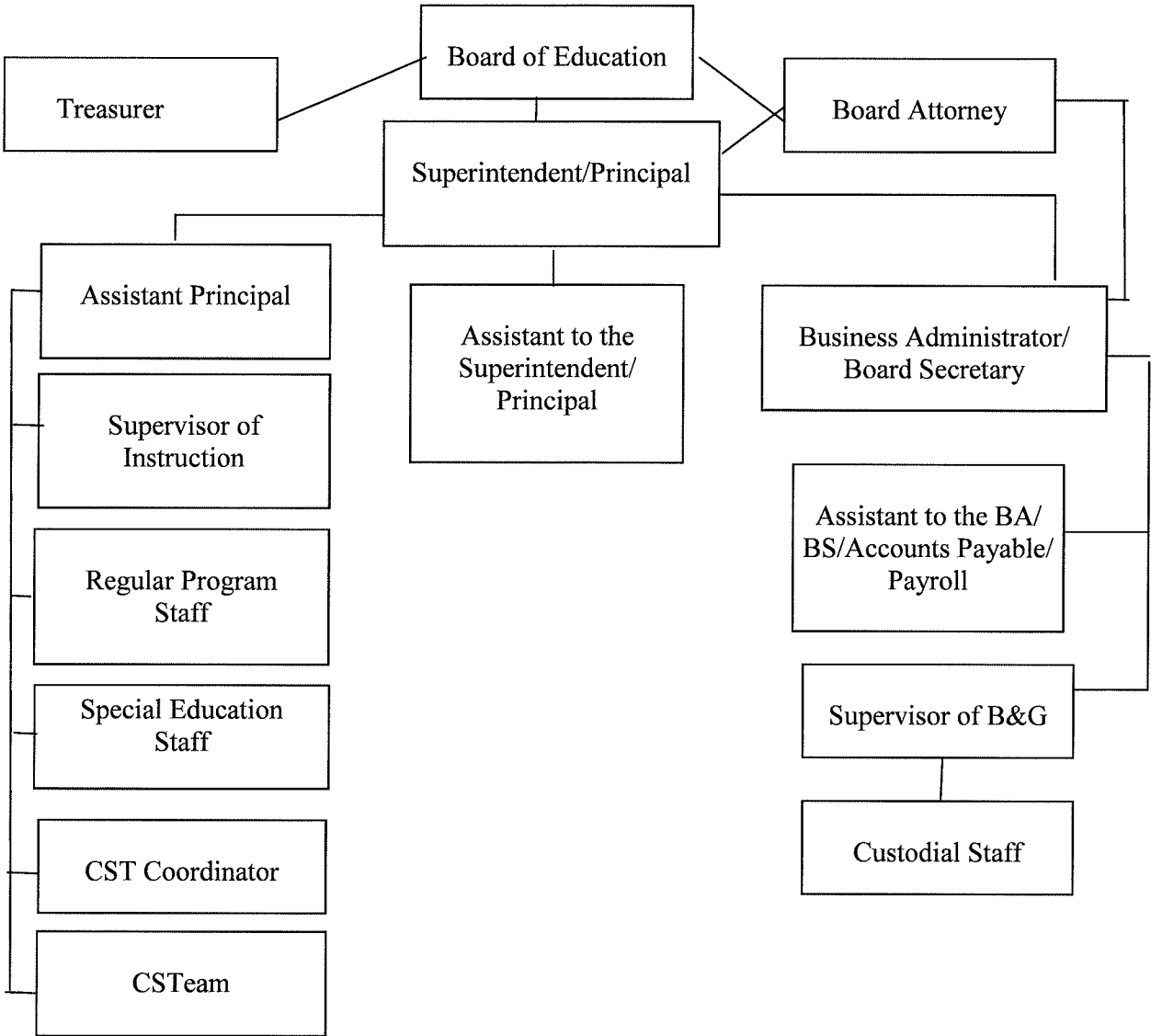


David Astor  
Superintendent /Principal



Marilyn A. Cuykendall  
Business Administrator/Board Secretary

# Ogdensburg Board of Education Organization Chart 2014/15 School Year



OGDENSBURG BOROUGH SCHOOL DISTRICT  
ROSTER OF OFFICIALS  
JUNE 30, 2015

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Ricardo Rojas, President	2016
Paul Wortington, Vice President	2016
Peter Egan, Jr.	2017
Lynne Pedersen	2018
Toni Corban	2018
Mary Fitzgibbons	2017
Stacy Walsh	2018

Other Officials

Dr. Ernest Palestis, Superintendent/Principal (to 6/30/15)  
Marilyn A. Cuykendall, School Business Administrator/Board Secretary  
Linda Padula, Treasurer of School Monies  
Stephanie Bonaparte, Assistant Principal  
Michelle Telischak, Supervisor of Instruction (8/15/14 to 6/30/15)

**OGDENSBURG BOROUGH SCHOOL DISTRICT**

Consultants and Advisors  
Fiscal Year Ended June 30, 2015

**Audit Firm**

Nisivoccia LLP  
Mount Arlington Corporate Center  
200 Valley Road Suite 300  
Mount Arlington, New Jersey 07856

And

Lawrence Business Park  
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Newton, New Jersey 07860

**Attorney**

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**Official Depositories**

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Franklin, New Jersey 07416

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FINANCIAL SECTION





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## Independent Auditors' Report

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

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

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

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

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

#### ***Auditors' Responsibility***

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

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

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

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### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Ogdensburg Borough School District, in the County of Sussex, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 8 to the basic financial statements, the District implemented Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* during the fiscal year ended June 30, 2015. Our opinions are not modified with respect to this matter. The implementation resulted in the restatement of certain balances on the Statement of Net Position and the ending balance for Net Position for the Governmental Activities as of June 30, 2014 as detailed in Note 17 to the basic financial statements.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the required supplementary information pension schedules and the budgetary comparison information in Exhibits C-1 through C-3 and I-2 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information such as the combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal and state awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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The accompanying supplementary schedules such as the combining and individual non-major fund financial statements and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

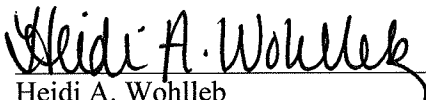
The accompanying other information such as the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with Government Auditing Standards, we have also issued our report dated November 23, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

November 23, 2015  
Mount Arlington, New Jersey

NISIVOCIA LLP

  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

**(UNAUDITED)**

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

**Financial Highlights**

- The District’s financial status continued to be strong and improved on a district wide basis.
- Overall revenue was \$5.83 million while overall expenses were \$5.74 million.
- The District reduced its outstanding long-term bonded debt by approximately 35% percent. The District’s current debt will be paid in full by the end of the fiscal year 2016/17.
- The current year’s school budget has successfully supported high academic achievement while maintaining a secure and supportive learning environment with attention to fiscal responsibility.

**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 such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, 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. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1  
Organization of Ogdensburg Borough School District’s Financial Report**

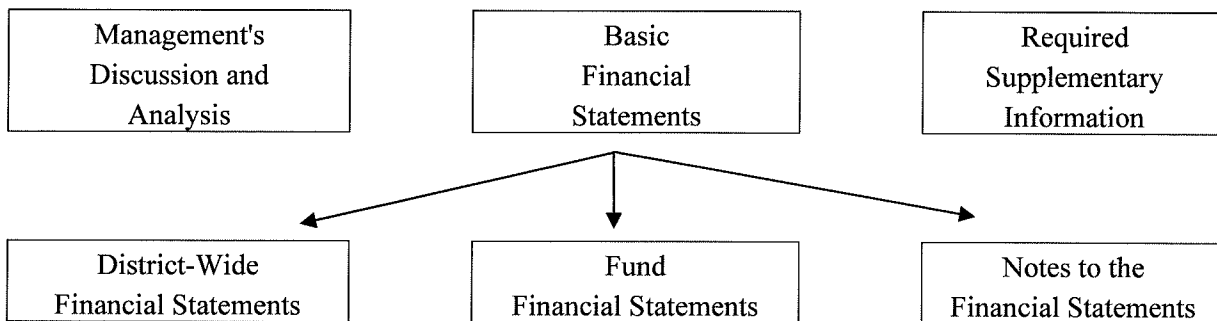


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

**Figure A-2**  
**Major Features of the District-Wide and Fund Financial Statements**

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses - food services	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenue, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Revenue, Expenses, and Changes in Fund Net Position</li> <li>• Statement of Cash Flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Net Position</li> <li>• Statement of Changes in Fiduciary Net Position</li> </ul>
Accounting basis and measurement focus	Accrual Accounting and Economic Resources focus	Modified Accrual Accounting and Current Financial Resources Focus	Accrual Accounting and Economic Resources focus	Accrual Accounting and Economic Resources focus
Type of Asset/Liability Information	All Assets and Liabilities, both Financial and Capital, Short-Term and Long-Term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term & long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All Revenue and Expenses during the year, regardless of when Cash is Received or Paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liabilities are due and payable	All Revenue and Expenses during the year, regardless of when cash is received or paid	All Additions and Deductions during the year, regardless of when cash is received or paid

## 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, deferred inflows and outflows and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or 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, deferred inflows and outflows and liabilities – is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional nonfinancial factors 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. 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 service 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 on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as 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 for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you 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 at the bottom of the governmental funds statements explains the relationship (or difference) 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. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.
- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

*Notes to the Basic Financial Statements*: Provide additional information essential to a full understanding of the District-wide and fund financial statements.

## Financial Analysis of the District as a Whole

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

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

*Net Position.* The District's combined net position increased by \$91,995. Net position from governmental activities increased by \$89,334 and net position from business activities increased by \$2,661. Net investment in capital assets increased by \$96,078, restricted net position increased by \$36,625, and unrestricted net position decreased by \$40,708.

The following tables present financial position and operating information for June 30, 2015 and the fiscal year then ended as compared with the prior fiscal year.

**Table 1**  
**Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage
	2015	2014*	2015	2014	2015	2014*	Change 2014 - 2015
Current and Other Assets	\$ 183,223	\$ 182,327	\$ 27,353	\$ 24,506	\$ 210,576	\$ 206,833	1.81%
Capital Assets, Net	1,238,567	1,233,839	8,545	9,863	1,247,112	1,243,702	0.27%
Total Assets	1,421,790	1,416,166	35,898	34,369	1,457,688	1,450,535	0.49%
Deferred Outflows of Resources	89,341				89,341		100.00%
Long-term Debt Outstanding	1,358,093	1,434,943			1,358,093	1,434,943	-5.36%
Other Liabilities	26,791	12,248	973	2,105	27,764	14,353	93.44%
Total Liabilities	1,384,884	1,447,191	973	2,105	1,385,857	1,449,296	-4.38%
Deferred Inflows of Resources	67,938				67,938		100.00%
Net Position:							
Net Investment in Capital							
Assets	1,135,494	1,038,098	8,545	9,863	1,144,039	1,047,961	9.17%
Restricted	91,723	55,098			91,723	55,098	66.47%
Unrestricted / (Deficit)	(1,168,908)	(1,124,221)	26,380	22,401	(1,142,528)	(1,101,820)	-3.69%
Total Net Position	\$ 58,309	\$ (31,025)	\$ 34,925	\$ 32,264	\$ 93,234	\$ 1,239	7424.94%

\* Restated

*Changes in Net Position.* The District's combined net position is \$58,309 on June 30, 2015, or \$91,995 more than it was the year before. The increase in net position invested in capital assets is due primarily to the capital additions and the current year maturities of serial bonds and capital lease retirements offset by current year depreciation expense. The increase in restricted net position is due primarily to the net increase in the capital reserve. The decrease in unrestricted net position is due primarily to the liquidation of prior year encumbrances, the increase in the net pension liability and associated pension deferred inflows and outflows, and the utilization of fund balance in the current year budget as well as a shortfall in state aid revenue not offset by unexpended budget appropriations and a decrease in compensated absences payable. (See Table 2).



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

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2015	2014	2015	2014	2015	2014	
<b>Revenue:</b>							
<b>Program Revenue:</b>							
Charges for Services			\$ 49,695	\$ 54,323	\$ 49,695	\$ 54,323	-8.52%
Operating Grants and Contributions	\$ 1,222,984	\$ 704,557	46,288	42,816	1,269,272	747,373	69.83%
Capital Grants and Contributions	25,596				25,596		100.00%
<b>General Revenue:</b>							
Property Taxes	2,357,969	2,322,424			2,357,969	2,322,424	1.53%
Tuition	8,910	19,650			8,910	19,650	-54.66%
Unrestricted Federal and State Aid	2,111,649	2,098,913			2,111,649	2,098,913	0.61%
Other	4,354	3,059	47	34	4,401	3,093	42.29%
<b>Total Revenue</b>	<b>5,731,462</b>	<b>5,148,603</b>	<b>96,030</b>	<b>97,173</b>	<b>5,827,492</b>	<b>5,245,776</b>	<b>11.09%</b>
<b>Expenses:</b>							
Instruction	3,582,132	3,085,132			3,582,132	3,085,132	16.11%
Pupil and Instruction Services	736,606	664,514			736,606	664,514	10.85%
Administrative and Business	686,703	617,982			686,703	617,982	11.12%
Maintenance and Operations	511,123	505,315			511,123	505,315	1.15%
Transportation	56,221	58,423			56,221	58,423	-3.77%
Capital Outlay	13,857	25,803			13,857	25,803	-46.30%
Other	55,486	74,452	93,369	92,956	148,855	167,408	-11.08%
<b>Total Expenses</b>	<b>5,642,128</b>	<b>5,031,621</b>	<b>93,369</b>	<b>92,956</b>	<b>5,735,497</b>	<b>5,124,577</b>	<b>11.92%</b>
Increase/(Decrease) in Net Position	\$ 89,334	\$ 116,982	\$ 2,661	\$ 4,217	\$ 91,995	\$ 121,199	-24.10%

The District's total revenue for the 2014/2015 school year was \$5,827,492. (See Table 3). Property taxes and state formula aid accounted for most of the District's revenue, with local taxes accounting for \$2,357,969 of the total, or 40.46 percent. Another 58.46 percent came from state and federal aid and the remainder from miscellaneous sources and charges for services.

**Table 3**  
**Sources of Revenue for Fiscal Year 2015**

Sources of Income	Amount	Percentage
State Formula Aid	\$ 2,290,174	39.30%
Property Taxes	2,357,969	40.46%
Federal, State and Local Categorical Grants	1,116,343	19.16%
Charges for Services	49,695	0.85%
Other	13,311	0.23%
	<b>\$ 5,827,492</b>	<b>100.00%</b>

The total cost of all programs and services was \$5,735,497. The District's expenses are predominantly related to instructing, providing pupil services, and transporting students (76.27 percent). (See Table 4).

**Table 4**  
**Expenses for Fiscal Year 2015**

Expense Category	Amount	Percentage
Instruction	\$ 3,582,132	62.45%
Pupil & Instruction Services	736,606	12.84%
Administrative and Business	686,703	11.98%
Maintenance & Operations	511,123	8.91%
Transportation	56,221	0.98%
Capital Outlay	13,857	0.24%
Other	148,855	2.60%
	\$ 5,735,497	100.00%

### Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 5 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of those functions.

**Table 5**  
**Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2015	2014	2015	2014
Instruction	\$ 3,582,132	\$ 3,085,132	\$ 2,475,954	\$ 2,443,359
Pupil & Instruction Services	736,606	664,514	687,843	645,197
Administrative and Business	686,703	617,982	638,141	594,462
Maintenance & Operations	511,123	505,315	485,527	505,315
Transportation	56,221	58,423	36,740	38,476
Capital Outlay	13,857	25,803	13,857	25,803
Other	55,486	74,452	55,486	74,452
Total	\$ 5,642,128	\$ 5,031,621	\$ 4,393,548	\$ 4,327,064

- The cost of all governmental activities this year was \$5.64 million.
- The federal, state and local governments subsidized certain programs with state aid and grants (\$3,360,229).
- Approximately 42% of the District's costs (\$2.36 million) were financed by District taxpayers.
- The remainder of the funding came from charges for tuition and miscellaneous revenue.

## Business-Type Activities

Net position from the District's business-type activities increased by \$2,661. (Refer to Table 2). Factors contributing to these results included:

- The net increase in net position from the business-type activities was due primarily to an increase in federal and state lunch reimbursements.

## Financial Analysis of the District's Funds

The District's financial position decreased primarily due to a shortfall in state aid revenue as well as the liquidation of prior year encumbrances and the utilization of fund balance offset by unexpended budget appropriations. Expenditures during the recent year increased due to increases in salaries and related benefits. To maintain a stable financial position, the District must continue to practice sound fiscal management.

## General Fund Budgeting Highlights

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

Over the course of the year, the District revised the annual operating budget when the educational needs of the District required it. Approved budgets are a snapshot in time and include estimates and projections that are available during the planning and submission stages. As more specificity becomes available, the projections and estimates are replaced with sound data and the budget is revised accordingly.

## Capital Assets

At the end of the fiscal year 2015, the School District had \$1,247,112 invested in sites and site improvements, buildings and building improvements and machinery and equipment. Table 6 shows fiscal year 2015 balances compared to 2014.

**Table 6**

### Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2015	2014	2015	2014	2015	2014	Change 2014/2015
Sites and Site Improvements	\$ 9,865	\$ 9,865			\$ 9,865	\$ 9,865	0.00%
Buildings & Improvements	998,437	1,039,254			998,437	1,039,254	-3.93%
Machinery and Equipment	230,265	184,720	\$ 8,545	\$ 9,863	238,810	194,583	22.73%
Total	<u>\$ 1,238,567</u>	<u>\$ 1,233,839</u>	<u>\$ 8,545</u>	<u>\$ 9,863</u>	<u>\$ 1,247,112</u>	<u>\$ 1,243,702</u>	<u>0.27%</u>

Overall, capital assets increased by \$3,410 from fiscal year 2014 to fiscal year 2015. The net increase in capital assets is due to the excess of capital additions over depreciation expense.

**Debt Administration**

At June 30, 2015, the School District had \$1,358,093 of outstanding debt. Of this amount, \$115,012 is for compensated absences, \$21,073 is for a capital lease, \$82,000 is serial bonds payable, and \$1,140,008 is for the Net Pension Liability.

**Table 7**  
**Outstanding Long-Term Debt**

	Total School District		Percentage
	2015	2014*	Change 2014/2015
General Obligation Bonds (Financed with Property Taxes)	\$ 82,000	\$ 127,000	-35.43%
Net Pension Liability	1,140,008	1,100,383	3.60%
Other Long Term Debt	136,085	207,560	-34.44%
<b>Total</b>	<b>\$ 1,358,093</b>	<b>\$ 1,434,943</b>	<b>-5.36%</b>

\* Restated

**Factors Bearing on the District’s Future**

Clearly, declining student enrollment is the chief concern impacting the District’s future. As more neighboring districts choose to become choice schools the competition becomes even greater.

Choice students can only increase student population up to the number of seats available per grade. Another way of filling seats is to expand the Behavioral Disabled Program into tuition-based and invite neighboring districts to take advantage of the public school program with lower costs than private schools.

Fortunately for the District, the recent test scores have shown steady improvement which makes the school very attractive to parents as well as other school districts looking for an established special needs program. Professional development of teachers coupled with new instructional math and language arts programs are responsible for the higher test scores which the District continues to prioritize.

As we understand the economic factors affecting the Borough and the declining community and student population, the District is reviewing its administrative hierarchy and staff support functions to determine if shared services is a possibility in the future. The loss of two, long-established staff positions due to retirement and movement enables the Board to explore new structures that could bring financial benefits as well as targeting current administrative needs.

**Contacting the School District’s Financial Management**

This financial report is designed to provide the District’s citizens, taxpayers, customers and investors and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional information, contact the Board of Education Office, 100 Main Street, Ogdensburg, NJ 07439.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

OGDENSBURG BOROUGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2015

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 76,347	\$ 22,488	\$ 98,835
Receivables, net:			
Receivables from State Government	27,763	68	27,831
Receivables from Federal Government	6,500	2,225	8,725
Interfund Receivable	100		100
Inventories		2,572	2,572
Restricted Assets:			
Cash and Cash Equivalents	72,513		72,513
Capital Assets, Net:			
Sites (Land)	9,865		9,865
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	1,228,702	8,545	1,237,247
Total Assets	<u>1,421,790</u>	<u>35,898</u>	<u>1,457,688</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Changes in Assumptions - Pensions	35,848		35,848
Changes in Proportion - Pensions	53,493		53,493
Total Deferred Outflows of Resources	<u>89,341</u>		<u>89,341</u>
<b>LIABILITIES</b>			
Accounts Payable	22,102		22,102
Accrued Interest Payable	1,616		1,616
Unearned Revenue	3,073	973	4,046
Noncurrent Liabilities:			
Due Within One Year	63,073		63,073
Due Beyond One Year	1,295,020		1,295,020
Total Liabilities	<u>1,384,884</u>	<u>973</u>	<u>1,385,857</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Investment Gains - Pensions	67,938		67,938
Total Deferred Inflows of Resources	<u>67,938</u>		<u>67,938</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,135,494	8,545	1,144,039
Restricted for:			
Capital Projects	72,513		72,513
Debt Service	19,210		19,210
Unrestricted/(Deficit)	(1,168,908)	26,380	(1,142,528)
Total Net Position	<u>\$ 58,309</u>	<u>\$ 34,925</u>	<u>\$ 93,234</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

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

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
Instruction:							
Regular	\$ 2,387,210		\$ 592,789		\$ (1,794,421)		\$ (1,794,421)
Special Education	975,883		463,167		(512,716)		(512,716)
Other Special Instruction	94,533		22,949		(71,584)		(71,584)
School-Sponsored/Other Instruction	124,506		27,273		(97,233)		(97,233)
Support Services:							
Tuition	33,933				(33,933)		(33,933)
Student & Instruction Related Services	702,673		48,763		(653,910)		(653,910)
General Administrative Services	244,488		48,562		(195,926)		(195,926)
School Administrative Services	215,527				(215,527)		(215,527)
Central Services	202,096				(202,096)		(202,096)
Administrative Information Technology	24,592				(24,592)		(24,592)
Plant Operations and Maintenance	511,123			\$ 25,596	(485,527)		(485,527)
Pupil Transportation	56,221		19,481		(36,740)		(36,740)
Interest on Long-Term Debt	3,608				(3,608)		(3,608)
Capital Outlay	13,857				(13,857)		(13,857)
Transfer to Charter School	51,878				(51,878)		(51,878)
<b>Total Governmental Activities</b>	<b>5,642,128</b>		<b>1,222,984</b>	<b>25,596</b>	<b>(4,393,548)</b>		<b>(4,393,548)</b>
<b>Business-Type Activities:</b>							
Food Service	93,369	\$ 49,695	46,288			\$ 2,614	2,614
<b>Total Business-Type Activities</b>	<b>93,369</b>	<b>49,695</b>	<b>46,288</b>			<b>2,614</b>	<b>2,614</b>
<b>Total Primary Government</b>	<b>\$ 5,735,497</b>	<b>\$ 49,695</b>	<b>\$ 1,269,272</b>	<b>\$ 25,596</b>	<b>(4,393,548)</b>	<b>2,614</b>	<b>(4,390,934)</b>



OGDENSBURG BOROUGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenue:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 2,289,266		\$ 2,289,266
Taxes Levied for Debt Service	68,703		68,703
Tuition	8,910		8,910
Federal and State Aid not Restricted	2,111,649		2,111,649
Interest Income		\$ 47	47
Miscellaneous Income	4,354		4,354
Total General Revenue	4,482,882	47	4,482,929
Change in Net Position	89,334	2,661	91,995
Net Position - Beginning (Restated)	(31,025)	32,264	1,239
Net Position - Ending	\$ 58,309	\$ 34,925	\$ 93,234

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

Exhibit B-1

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 54,969	\$ 2,168		\$ 19,210	\$ 76,347
Interfund Receivable:					
Capital Projects Fund	25,596				25,596
Fiduciary Fund - Payroll	100				100
Intergovernmental Receivable:					
State	2,167		\$ 25,596		27,763
Federal		6,500			6,500
Restricted Assets:					
Cash and Cash Equivalents	<u>72,513</u>				<u>72,513</u>
Total Assets	<u>\$ 155,345</u>	<u>\$ 8,668</u>	<u>\$ 25,596</u>	<u>\$ 19,210</u>	<u>\$ 208,819</u>
<b>LIABILITIES AND FUND BALANCES:</b>					
Liabilities:					
Accounts Payable	\$ 16,507	\$ 5,595			\$ 22,102
Interfund Payable:					
General Fund			\$ 25,596		25,596
Unearned Revenue		<u>3,073</u>			<u>3,073</u>
Total Liabilities	<u>16,507</u>	<u>8,668</u>	<u>25,596</u>		<u>50,771</u>
Fund Balances:					
Restricted:					
Capital Reserve Account	72,513				72,513
Debt Service				\$ 19,210	19,210
Assigned:					
Encumbrances	10,957				10,957
Subsequent Year's Expenditures	31,464				31,464
Unassigned	<u>23,904</u>				<u>23,904</u>
Total Fund Balances	<u>138,838</u>			<u>19,210</u>	<u>158,048</u>
Total Liabilities and Fund Balances	<u>\$ 155,345</u>	<u>\$ 8,668</u>	<u>\$ 25,596</u>	<u>\$ 19,210</u>	
Amounts Reported for <i>Governmental Activities</i> in the Statement of Net Position (A-1) are Different Because:					
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the Funds. The cost of the assets is \$3,004,154 and the accumulated depreciation is \$1,765,587.					1,238,567
Interest on Long-Term Debt is not Accrued in the Governmental Funds, but Rather is Recognized as an Expenditure When Due.					(1,616)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.					(1,140,008)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:					
Changes in Assumptions - Pensions					35,848
Investment Gains - Pensions					(67,938)
Changes in Proportions - Pensions					53,493
Long-Term Liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.					<u>(218,085)</u>
Net Position of Governmental Activities					<u>\$ 58,309</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

OGDENSBURG BOROUGH SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 2,289,266			\$ 68,703	\$ 2,357,969
Tuition from Individuals	8,910				8,910
Interest Earned on Capital Reserve Funds	204				204
Miscellaneous	4,150				4,150
Total - Local Sources	2,302,530			68,703	2,371,233
State Sources	2,727,928		\$ 25,596		2,753,524
Federal Sources		\$ 128,127			128,127
Total Revenue	5,030,458	128,127	25,596	68,703	5,252,884
EXPENDITURES:					
Current:					
Regular Instruction	1,340,987	44,270			1,385,257
Special Education Instruction	518,358	83,857			602,215
Other Special Instruction	54,531				54,531
School Sponsored/Other Instruction	81,512				81,512
Support Services and Undistributed Costs:					
Tuition	33,933				33,933
Student & Instruction Related Services	513,145				513,145
General Administration	192,578				192,578
School Administration	148,474				148,474
Central Services	144,023				144,023
Administration Information Technology	20,673				20,673
Plant Operations and Maintenance	471,107				471,107
Pupil Transportation	56,221				56,221
Unallocated Benefits	1,354,687				1,354,687

OGDENSBURG BOROUGH SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
EXPENDITURES:					
Debt Service:					
Redemption of Principal				\$ 45,000	\$ 45,000
Interest and Other Charges				4,494	4,494
Capital Outlay	\$ 43,699		\$ 63,991		107,690
Transfer of Funds to Charter Schools	51,878				51,878
Total Expenditures	<u>5,025,806</u>	<u>\$ 128,127</u>	<u>63,991</u>	<u>49,494</u>	<u>5,267,418</u>
Excess(Deficit) of Revenue Over/(Under) Expenditures	<u>4,652</u>		<u>(38,395)</u>	<u>19,209</u>	<u>(14,534)</u>
Other Financing Sources/(Uses):					
Transfers	<u>(38,395)</u>		<u>38,395</u>		
Total Other Financing Sources/(Uses)	<u>(38,395)</u>		<u>38,395</u>		
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(33,743)			19,209	(14,534)
Fund Balance—July 1	<u>172,581</u>			<u>1</u>	<u>172,582</u>
Fund Balance—June 30	<u>\$ 138,838</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 19,210</u>	<u>\$ 158,048</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (14,534)

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 depreciation differs from capital outlays in the period.

Depreciation expense	\$ (89,105)	
Capital outlays	<u>93,833</u>	4,728

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

23,807

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. When accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).

887

Repayment of bond and capital leases principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. (+)

92,668

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

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	(39,625)
Deferred Outflows:	
Changes in Assumptions	35,848
Changes in Proportions	53,493
Deferred Inflows:	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	<u>(67,938)</u>
Change in Net Position - Governmental Activities (from A-2)	<u>\$ 89,334</u>

Exhibit B-4

OGDENSBURG BOROUGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2015

	<u>Business-type            Activities -            Enterprise Funds            Food Service</u>
<b>ASSETS:</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 22,488
Intergovernmental Accounts Receivable:	
State	68
Federal	2,225
Inventories	<u>2,572</u>
Total Current Assets	<u>27,353</u>
Non-Current Assets:	
Capital Assets	51,970
Less: Accumulated Depreciation	<u>(43,425)</u>
Total Non-Current Assets	<u>8,545</u>
Total Assets	<u>35,898</u>
<b>LIABILITIES:</b>	
Current Liabilities:	
Unearned Revenue	<u>973</u>
Total Current Liabilities	<u>973</u>
<b>NET POSITION:</b>	
Net Investment in Capital Assets	8,545
Unrestricted	<u>26,380</u>
Total Net Position	<u><u>\$ 34,925</u></u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
 ARE AN INTEGRAL PART OF THIS STATEMENT



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

	Business-type Activities - Enterprise Funds Food Service
Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 30,140
Daily Sales - Non-Reimbursable Programs	19,555
Total Operating Revenue	49,695
Operating Expenses:	
Cost of Sales	46,941
Salaries, Benefits & Payroll Taxes	36,262
Supplies, Insurance & Other Costs	1,847
Management Fee	7,000
Depreciation Expense	1,319
Total Operating Expenses	93,369
Operating Loss	(43,674)
Non-Operating Income:	
Local Sources:	
Interest Income	47
State Sources:	
State School Lunch Program	1,086
Federal Sources:	
National School Lunch Program	33,325
School Breakfast Program	2,237
Food Distribution Program	9,640
Total Non-Operating Income	46,335
Change in Net Position	2,661
Net Position - Beginning of Year	32,264
Net Position - End of Year	\$ 34,925

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

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

	<u>Business-type Activities - Enterprise Funds Food Service</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 49,695
Payments to Food Service Contractor	<u>(86,802)</u>
Net Cash Used for Operating Activities	<u>(37,107)</u>
Cash Flows by Investing Activities:	
Local Sources:	
Interest Income	<u>47</u>
Net Cash Provided by Investing Activities	<u>47</u>
Cash Flows from Noncapital Financing Activities:	
State Sources:	
State School Lunch Program - Received in Food Service Food	1,218
Federal Sources:	
National School Lunch and School Breakfast Programs - Received in Food Service Food	<u>40,758</u>
Net Cash Provided by Noncapital Financing Activities	<u>41,976</u>
Net Increase in Cash and Cash Equivalents	4,916
Cash and Cash Equivalents, July 1	<u>17,572</u>
Cash and Cash Equivalents, June 30	<u>\$ 22,488</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (43,674)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	1,319
Food Distribution Program	9,640
Changes in Assets and Liabilities:	
Decrease in Inventories	1,555
(Decrease) in Unearned Revenue	(1,132)
(Decrease) in Accounts Payable	<u>(4,815)</u>
Net Cash Used for Operating Activities	<u>\$ (37,107)</u>

Noncash Investing and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$8,508 and utilized U.S.D.A. Commodities valued at \$9,640.

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

	Agency Fund	Unemployment Compensation Trust	Private Purpose Scholarship Trust
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 25,759	\$ 83,130	\$ 4,966
Total Assets	25,759	83,130	4,966
<b>LIABILITIES:</b>			
Interfund Payable:			
General Fund	100		
Due to Athletics Account	192		
Due to Student Groups	25,467		
Total Liabilities	25,759		
<b>NET POSITION:</b>			
Held in Trust for Unemployment Claims		83,130	
Restricted for Scholarships			4,966
Total Net Position	\$ -0-	\$ 83,130	\$ 4,966

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

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

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
Additions:		
Contributions:		
Plan Member Contributions	\$ 5,636	
Donations		\$ 550
Total Contributions	<u>5,636</u>	<u>550</u>
Investment Earnings:		
Interest	<u>155</u>	<u>2</u>
Net Investment Earnings	<u>155</u>	<u>2</u>
Total Additions	<u>5,791</u>	<u>552</u>
Deductions:		
Unemployment Compensation Claims		
Scholarships Awarded		<u>250</u>
Total Deductions		<u>250</u>
Change in Net Position	5,791	302
Net Position - Beginning of the Year	<u>77,339</u>	<u>4,664</u>
Net Position - End of the Year	<u><u>\$ 83,130</u></u>	<u><u>\$ 4,966</u></u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include an elementary school located in the Borough of Ogdensburg. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business-type activities. These statements include the financial activities of the overall District in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business-type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported 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 NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. 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 expenses by board resolution.

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

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Capital Projects Fund: (Cont'd) election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest.

The District reports the following proprietary fund:

Enterprise (Food Service) Fund: The Enterprise Fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and includes the Student Activities Fund, Payroll Agency Fund, Unemployment Compensation Insurance Trust Fund and Private Purpose Trust Fund.

C. Measurement Focus and Basis of Accounting:

The district-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting: (Cont'd)

expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2015 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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

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

The general fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.



OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

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	\$ 5,029,634	\$ 128,127
Differences - Budget to GAAP:		
Prior Year State Aid Payments Recognized for GAAP Statements	229,087	
Current Year State Aid Payment Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(228,263)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 5,030,458	\$ 128,127
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 5,025,806	\$ 128,127
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 5,025,806	\$ 128,127

E. Cash and Cash Equivalents, and Investments:

Cash and cash equivalents include petty cash, change funds, amount in deposits, and short-term investments with maturities of one year or less.

New Jersey school districts are limited as to type 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 depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Government Units. If a public depository fails, the collateral it has pledged, plus the collateral of all the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

H. Encumbrances:

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

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

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

I. 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.

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings	50 Years
Site Improvements	20 Years
Furniture and Equipment	10 to 15 Years
Computer and Related Technology	5 Years
Vehicles	8 Years

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

L. Long Term Liabilities:

In the district-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bond premium and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

M. Accrued Salaries and Wages:

The District does not allow employees, who provide services to the District over the ten-month academic year the option to have their salaries evenly disbursed during the entire twelve month year; therefore, there are no accrued salaries and wages as of June 30, 2015.

N. Compensated Absences:

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), *Accounting for Compensated Absences*. A liability for compensated absences attributable to services already rendered and not contingent

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

N. Compensated Absences: (Cont'd)

on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

It is the District's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation and sick leave has been recorded in the governmental activities in the district-wide statements, representing the District's commitment to fund such costs from future operations. A liability is reported in the governmental funds only to the amount due and payable within sixty days of year end as a result of employee resignations and retirements.

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.

O. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

P. Fund Balance Appropriated:

General Fund: Of the \$138,838 General Fund fund balance at June 30, 2015, \$72,513 is restricted in the Capital Reserve account; \$10,957 is assigned for encumbrances; \$31,464 is assigned for subsequent year's expenditures. There is also \$23,904 of unassigned fund balance which is \$228,263 less on a budgetary basis due to the final two state aid payments which are not recognized on a GAAP Basis.

Debt Service Fund: The Debt Service Fund fund balance at June 30, 2015 of \$19,210 is restricted for debt service purposes and has been appropriated and included as revenue in the budget for the fiscal year ended June 30, 2016.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District did not have excess fund balance at June 30, 2014 or June 30, 2015.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$228,263, as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the related state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, 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 two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Fund Balance Appropriated: (Cont'd)

balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

Q. Net Position:

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2015 for changes in assumptions in pensions and changes in proportion in pensions.

A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had a deferred inflow of resources at June 30, 2015 for the net difference between projected and actual investment earnings on pension plan investments.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

R. Deficit Net Position:

There is a deficit in unrestricted governmental activities net position in the amount of \$1,168,908. The deficit is due to the assigned fund balances for year-end encumbrances of \$10,957 and for subsequent year's expenditures of \$31,464, unassigned fund balance of \$23,904, changes in proportion in pensions of \$53,493, and changes in assumptions in pension of \$35,848 in the General Fund offset by compensated absences payable of \$115,012, and \$1,616 of accrued interest payable, investment gains in pension of \$67,938, and net pension liability of \$1,140,008 as of June 30, 2015. This deficit does not mean that the District is facing financial difficulties and is a permitted practice by generally accepted accounting principles.

S. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for a capital reserve and debt service.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

S. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has no committed resources at June 30, 2015.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources at June 30, 2015 in the General Fund for encumbrances and for amounts designated for subsequent year's expenditures.

T. Revenue - Exchange and Nonexchange Transactions:

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

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

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

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

V. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

W. 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 State of New Jersey Public Employees' Retirement System (PERS) and the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's net position have been determined on the same basis as they are reported by the PERS and the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents, and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following page.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit, and

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Deposits (Cont'd):

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit, and In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the Board to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (5) Local government investment pools;
- (6) Deposits with the State of New Jersey Cash Management Fund; or
- (7) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in statute; and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.



OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

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

	Restricted Cash and Cash Equivalents Capital Reserve	Cash and Cash Equivalents	Total
Checking Accounts	\$ 72,513	\$ 212,690	\$ 285,203

During the period ended June 30, 2015, the District did not hold any investments. The carrying amount of the District's cash and cash equivalents at June 30, 2015, was \$285,203 and the bank balance was \$371,401.

NOTE 4. CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Balance at June 30, 2014	\$ 55,097
Deposits:	
Interest Earnings	204
June 17, 2015 Board Resolution	55,607
	110,908
Decreased by:	
Budgeted Withdrawal	38,395
Balance at June 30, 2015	\$ 72,513

The balance in the capital reserve at June 30, 2015 did not exceed the balance of local support costs of uncompleted capital projects in the District's approved Long Range Facilities Plan.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 5. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2015 were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 9,865			\$ 9,865
Total Capital Assets not Being Depreciated	9,865			9,865
Capital Assets Being Depreciated:				
Site Improvements	116,730			116,730
Buildings and Building Improvements	2,452,642	\$ 26,634		2,479,276
Machinery and Equipment	331,084	67,199		398,283
Total Capital Assets Being Depreciated	2,900,456	93,833		2,994,289
Governmental Activities Capital Assets	2,910,321	93,833		3,004,154
Less Accumulated Depreciation for:				
Site Improvements	(116,730)			(116,730)
Buildings and Building Improvements	(1,413,388)	(67,451)		(1,480,839)
Machinery and Equipment	(146,364)	(21,654)		(168,018)
Total Accumulated Depreciation	(1,676,482)	(89,105)		(1,765,587)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 1,233,839</u>	<u>\$ 4,728</u>	<u>\$ -0-</u>	<u>\$ 1,238,567</u>
<b>Business Type Activities:</b>				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 51,970			\$ 51,970
Less Accumulated Depreciation	(42,107)	\$ (1,318)		(43,425)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 9,863</u>	<u>\$ (1,318)</u>	<u>\$ -0-</u>	<u>\$ 8,545</u>
<b>GRAND TOTAL</b>	<u>\$ 1,243,702</u>	<u>\$ 3,410</u>	<u>\$ -0-</u>	<u>\$ 1,247,112</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 5. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 68,531
Special Education	608
Student and Instruction Related Services	750
Operations and Maintenance of Plant	5,315
Central Services	13,901
	<u>89,105</u>
	<u>\$ 89,105</u>

NOTE 6: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2015, the District did not make any transfers to the capital outlay accounts.

NOTE 7. LONG TERM LIABILITIES

During the fiscal year ended June 30, 2015, the following changes occurred in liabilities reported in the district-wide financial statements:

	Restated Balance 6/30/2014	Accrued	Retired	Balance 6/30/2015
Compensated Absences Payable	\$ 138,819	\$ 626	\$ 24,433	\$ 115,012
Net Pension Liability	1,100,383	39,625		1,140,008
Bonds Payable	127,000		45,000	82,000
Obligations Under Capital Leases	68,741		47,668	21,073
	<u>\$ 1,434,943</u>	<u>\$ 40,251</u>	<u>\$ 117,101</u>	<u>\$ 1,358,093</u>

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. The Debt Service Fund will be used to liquidate the Serial Bonds Payable.

The District had bonds outstanding as of June 30, 2015 as follows:

Final Maturity Date	<u>Serial Bonds</u> Interest Rate	Amount
7/15/16	4.30%	<u>\$ 82,000</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 7. LONG TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

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

Year Ending June 30,	Bonds		Total
	Principal	Interest	
2016	\$ 42,000	\$ 2,623	\$ 44,623
2017	40,000	860	40,860
	\$ 82,000	\$ 3,483	\$ 85,483

B. Bonds Authorized But Not Issued:

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

C. Capital Leases Payable:

The District entered into one capital lease for the construction of the boiler and another capital lease for a John Deere Tractor, Mower and Kyocera Copiers in prior years. As of June 30, 2015, the District shows a payable of \$21,073.

The future minimum lease obligations as of June 30, 2015 were as follows:

<u>Year Ending</u>	<u>Amount</u>
June 30, 2016	\$ 21,653
Total future minimum lease payments	21,653
Less: amount representing interest	580
Present value of minimum representing interest	\$ 21,073

The current portion of the capital leases payable is \$21,073 and the long-term portion is \$0.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. There is no current portion of the compensated absences liability at June 30, 2015. Thus, the entire balance of compensated absences of \$115,012 is a long-term liability.

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

The General Fund will be used to liquidate the Compensated Absences and Capital Leases Payable.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2015 is \$-0- and the long-term portion is \$1,140,008. See Note 8 for further information on the PERS.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 8. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP).

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. 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. The following represents the membership tiers for PERS:

<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 to enroll 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 to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit 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 members retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 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.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 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 employers 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 those retirement systems, 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. District contributions to PERS amounted to \$50,196 for fiscal year 2015.

The employee contribution rate was 6.92% effective July 1, 2014. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1<sup>st</sup> to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the District reported a liability of \$1,140,008 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.0061%, which was a decrease of 0.0003% from its proportion measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$68,444. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	\$ 35,848	
Changes in Proportion	53,493	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		\$ 67,938
	<u>\$ 89,341</u>	<u>\$ 67,938</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion) related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2015	\$ (10,395)
2016	(10,395)
2017	(10,395)
2018	(10,395)
2019	6,590
Thereafter	2,900
	<u>\$ (32,090)</u>

Actuarial Assumptions

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

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

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

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

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

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

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

Discount Rate

The discount rate used to measure the total pension liability was 5.39% as of June 30, 2014. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9% and a municipal bond rate of 4.29% as of June 30, 2014 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 upon the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2014 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:



OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate (Cont'd)

	Fiscal Year Ended June 30, 2014		
	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
District's proportionate share of the Net Pension Liability	\$ 1,434,169	\$ 1,140,008	\$ 892,988

Pension plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

Benefits Provided

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 for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts. The following represents the membership tiers for TPAF:

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 to enroll 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

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014, the State's pension contribution was less than the actuarially determined amount. The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2015, the State of New Jersey contributed \$109,461 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$588,039.

The employee contribution rate was 6.92% effective July 1, 2014. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1<sup>st</sup> to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2015, the State's proportionate share of the net pension liability associated with the District was \$10,928,188. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.020%, which was a decrease of 0.001% from its proportion measured as of June 30, 2013.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>10,928,188</u>
Total	<u><u>\$ 10,928,188</u></u>

For the fiscal year ended June 30, 2014, the State recognized pension expense on behalf of the District in the amount of \$588,039 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2015 financial statements.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	\$ 2,306,623,861	
Difference Between Expected and Actual Experience		\$ 21,969,019
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		<u>1,741,236,574</u>
	<u>\$ 2,306,623,861</u>	<u>\$ 1,763,205,593</u>

The \$2,306,623,861 reported as deferred outflows of resources related to pensions resulting from changes in assumptions will be amortized over a period of 8.5 years. The \$21,969,019 reported as reported as deferred outflows of resources related to pensions resulting from changes in assumptions will be amortized over a period of 8.5 years. The \$1,741,236,574 reported as a deferred inflow of resources resulting from the difference between projected and actual investment earnings on pension plan investments will be amortized over 5 years.

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2016	\$ (130,688,498)
2017	(130,688,498)
2018	(130,688,498)
2019	(130,688,496)
2020	304,620,646
Thereafter	<u>761,551,612</u>
	<u>\$ 543,418,268</u>

Actuarial Assumptions

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

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
 (Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

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

Mortality rates were based on the RP-2000 Health Annuitant Mortality Tables for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

Long Term Expected Rate of Return

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

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

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 4.68% as of June 30, 2014. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9% and a municipal bond rate of 4.29% as of June 30, 2014 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 upon the average of the last five years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	Fiscal Year Ended June 30, 2014		
	1% Decrease (3.68%)	Current Discount Rate (4.68%)	1% Increase (5.68%)
Total Net Pension Liability	\$ 64,722,984,539	\$53,813,067,539	\$44,738,870,539

Pension Plan Fiduciary Net Position - TPAF

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$8,391 for the fiscal year ended June 30, 2015. Employee contributions to DCRP amounted to \$11,486 for the fiscal year ended June 30, 2015.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 9. POST-RETIREMENT BENEFITS

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

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

The State's on behalf Post-Retirement Medical Contributions to TPAF for the District amounted to \$173,768, \$141,826 and \$157,686 for 2015, 2014 and 2013, respectively.

NOTE 10. DEFERRED COMPENSATION

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

The plan administrators are as follows:

AXA Equivest	Equitable
Valic	MetLife

Equitable Life Assurance and MetLife are the plan administrators for the District's Internal Revenue Code 457 plans.

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. The District obtains their health benefit coverage through the State of New Jersey Health Benefits Plan.

Property, Liability and Health Benefits

The District is a member of the School Alliance Insurance Fund ("SAIF"). SAIF provides its members with Workers' Compensation, Comprehensive General Liability and Automobile Liability, Property, Boiler and Machinery, and School Board Legal Liability Insurance. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report. SAIF is a risk-sharing fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF are elected.

As a member of SAIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of SAIF were to be exhausted, members would become responsible for their respective shares of SAIF's liabilities.

SAIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with Statement No. 10 of the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The June 30, 2015 audit report is not available as of the date of this report. Selected summarized financial information for the SAIF as of June 30, 2014 is as follows:

	School Alliance Insurance Fund
Total Assets	\$ 33,508,569
Net Position	\$ 5,114,269
Total Revenue	\$ 34,091,773
Total Expenses	\$ 37,253,827
Change in Net Position	\$ (3,162,054)
Members Dividends	\$ -0-

Financial statements for SAIF are available at the SAIF's Executive Director's Office:

Public Entity Group Administrative Services  
51 Everett Drive  
Suite B-40  
West Windsor, NJ 08550

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 the District's contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Trust Fiduciary Fund for the current and previous two years:



OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance (Cont'd)

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$ 5,636	\$ 155	\$ -0-	\$ 83,130
2013-2014	5,290	149	4,758	77,339
2012-2013	4,992	172	3,415	76,658

NOTE 12. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 25,696	
Capital Projects Fund		\$ 25,596
Fiduciary Fund - Payroll		100
	<u>\$ 25,696</u>	<u>\$ 25,696</u>

The interfund receivable in the General Fund is comprised of \$25,596 from the Capital Projects Fund due to SDA Grant receivable. The interfund receivable in the General Fund of \$100 is due to interest collected in the payroll accounts and not remitted to the General Fund.

NOTE 14. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined, agreed-upon schedule.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 15. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

The District is periodically involved in various lawsuits. The District estimates that the potential claims against it resulting from any such litigation and not covered by insurance would not materially affect the financial position of the District.

Encumbrances

At June 30, 2015, there were encumbrances as detailed below in the governmental funds.

General Fund	Total Governmental Funds
\$ 10,957	\$ 10,957

NOTE 16. ACCOUNTS PAYABLE

Payables as of June 30, 2015, were:

	Governmental Funds		Total Governmental Funds
	General Fund	Special Revenue Fund	
Vendors	\$ 16,507	\$ 5,595	\$ 22,102

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 17. PRIOR PERIOD ADJUSTMENTS

The District made a prior year adjustment in the District Wide Financial Statements to record the net pension liability as of June 30, 2014 as a result of implementing Governmental Accounting Standards Board (“GASB”) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

	Balance 6/30/14 as Previously Reported	Retroactive Adjustments	Balance 6/30/14 as Restated
<u>Statement of Net Position:</u>			
<u>Governmental Activities:</u>			
Statement of Net Position:			
Liabilities:			
Non-Current Liabilities	\$ 334,560	\$ 1,100,383	\$ 1,434,943
Total Liabilities	346,808	1,100,383	1,447,191
Net Position:			
Unrestricted/(Deficit)	(23,838)	(1,100,383)	(1,124,221)
Total Net Position	1,069,358	(1,100,383)	(31,025)

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

OGDENSBURG BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TWO FISCAL YEARS  
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
District's proportion of the net pension liability	0.0057575549%	0.0060888984%
District's proportionate share of the net pension liability	\$ 1,100,383	\$ 1,140,008
District's covered employee payroll	\$ 428,776	\$ 445,580
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	256.63%	255.85%
Plan fiduciary net position as a percentage of the total pension liability	48.72%	52.08%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TWO FISCAL YEARS  
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 43,382	\$ 50,196
Contributions in relation to the contractually required contribution	<u>(43,382)</u>	<u>(50,196)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 428,776	\$ 445,580
Contributions as a percentage of covered employee payroll	10.12%	11.27%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS' PENSION AND ANNUITY FUND  
LAST TWO FISCAL YEARS  
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
State's proportion of the net pension liability attributable to the District	0.0215821594%	0.0204468736%
State's proportionate share of the net pension liability attributable to the District	\$ 10,907,454	\$ 10,928,188
District's covered employee payroll	\$ 2,179,535	\$ 2,061,316
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	500.45%	530.16%
Plan fiduciary net position as a percentage of the total pension liability	33.76%	33.64%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 5.55% as of June 30, 2013 to 5.39% as of June 30, 2014 in accordance with Paragraph 44 of GASB Statement No. 67.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 4.95% as of June 30, 2013 to 4.68% as of June 30, 2014 in accordance with Paragraph 44 of GASB Statement No. 67.



BUDGETARY COMPARISON SCHEDULES

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 2,289,266		\$ 2,289,266	\$ 2,289,266	
Tuition from Individuals	14,850		14,850	8,910	\$ (5,940)
Interest on Capital Reserve Funds	125		125	204	79
Unrestricted Miscellaneous Revenues	915		915	4,150	3,235
<b>Total - Local Sources</b>	<u>2,305,156</u>		<u>2,305,156</u>	<u>2,302,530</u>	<u>(2,626)</u>
State Sources:					
Categorical Special Education Aid	161,211		161,211	161,211	
Equalization Aid	1,364,286		1,364,286	1,364,286	
Categorical Security Aid	27,019		27,019	27,019	
Adjustment Aid	471,185		471,185	471,185	
Categorical Transportation Aid	17,314		17,314	17,314	
School Choice Aid	270,387		270,387	242,655	(27,732)
Other State Aids	5,680		5,680	5,680	
Non-Public Transportation Aid				2,167	2,167
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				109,461	109,461
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				173,768	173,768
Reimbursed TPAF Social Security Contributions (non-budgeted)				152,358	152,358
<b>Total State Sources</b>	<u>2,317,082</u>		<u>2,317,082</u>	<u>2,727,104</u>	<u>410,022</u>
<b>TOTAL REVENUES</b>	<u>4,622,238</u>		<u>4,622,238</u>	<u>5,029,634</u>	<u>407,396</u>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	61,541	\$ 80,000	141,541	139,769	1,772
Grades 1-5 - Salaries of Teachers	657,420	47,400	704,820	704,637	183
Grades 6-8 - Salaries of Teachers	438,165	(7,050)	431,115	430,885	230
Regular Programs - Home Instruction:					
Salaries of Teachers	1,000		1,000	982	18

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs - Undistributed Instruction:					
Purchased Professional- Educational Services		\$ 500	\$ 500	\$ 351	\$ 149
General Supplies	\$ 75,503	(11,683)	63,820	54,242	9,578
Textbooks	15,075	(4,950)	10,125	9,921	204
Other Objects	215		215	200	15
Total Regular Programs - Instruction	<u>1,248,919</u>	<u>104,217</u>	<u>1,353,136</u>	<u>1,340,987</u>	<u>12,149</u>
Special Education - Instruction:					
Behavioral Disabilities:					
Salaries of Teachers	52,320		52,320	52,320	
Other Salaries for Instruction	7,769		7,769	2,654	5,115
General Supplies	2,525	(500)	2,025	2,009	16
Other Objects	200		200	200	200
Total Behavioral Disabilities	<u>62,814</u>	<u>(500)</u>	<u>62,314</u>	<u>56,983</u>	<u>5,331</u>
Resource Room/Resource Center:					
Salaries of Teachers	260,032	6,150	266,182	266,174	8
Other Salaries for Instruction	122,188	36,900	159,088	159,054	34
General Supplies	3,670	3,650	7,320	7,313	7
Total Resource Room/Resource Center	<u>385,890</u>	<u>46,700</u>	<u>432,590</u>	<u>432,541</u>	<u>49</u>
Preschool Disabilities - Part Time:					
Salaries of Teachers	38,115	(12,000)	26,115	25,471	644
Other Salaries for Instruction	11,965		11,965	1,795	10,170
General Supplies	2,100		2,100	1,568	532
Total Preschool Disabilities - Part Time	<u>52,180</u>	<u>(12,000)</u>	<u>40,180</u>	<u>28,834</u>	<u>11,346</u>
Total Special Education Instruction	<u>500,884</u>	<u>34,200</u>	<u>535,084</u>	<u>518,358</u>	<u>16,726</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	\$ 113,020	\$ (59,622)	\$ 53,398	\$ 53,397	\$ 1
General Supplies	200	1,000	1,200	1,134	66
Total Basic Skills/Remedial - Instruction	<u>113,220</u>	<u>(58,622)</u>	<u>54,598</u>	<u>54,531</u>	<u>67</u>
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	16,615	650	17,265	17,263	2
Supplies and Materials	2,601	3,030	5,631	5,622	9
Other Objects		1,200	1,200	1,144	56
Total School-Sponsored Cocurricular Activities - Instruction	<u>19,216</u>	<u>4,880</u>	<u>24,096</u>	<u>24,029</u>	<u>67</u>
School-Sponsored Athletics - Instruction:					
Salaries	24,884	1,150	26,034	26,016	18
Purchased Services (300-500 Series)	800	100	900	864	36
Supplies and Materials	2,825	300	3,125	2,965	160
Other Objects		220	220	220	
Transfer to Cover Deficit (Agency Funds)	2,170	(650)	1,520	1,500	20
Total School-Sponsored Athletics - Instruction	<u>30,679</u>	<u>1,120</u>	<u>31,799</u>	<u>31,565</u>	<u>234</u>
Summer School - Instruction:					
Salaries of Teachers	14,000	(1,500)	12,500	12,290	210
Other Salaries for Instruction	7,987	(3,000)	4,987	4,884	103
General Supplies	500		500	406	94
Total Summer School - Instruction	<u>22,487</u>	<u>(4,500)</u>	<u>17,987</u>	<u>17,580</u>	<u>407</u>
Summer School - Support Services:					
Salaries	8,000	(4,500)	3,500	3,004	496
Purchased Professional and Technical Services	9,000		9,000	5,334	3,666
Total Summer School - Support Services	<u>17,000</u>	<u>(4,500)</u>	<u>12,500</u>	<u>8,338</u>	<u>4,162</u>
Total Instruction	<u>1,952,405</u>	<u>76,795</u>	<u>2,029,200</u>	<u>1,995,388</u>	<u>33,812</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's Within State - Special	\$ 1,000	\$ 26,500	\$ 27,500	\$ 27,443	\$ 57
Tuition to Private School for the Disabled Within State		6,500	6,500	6,490	10
Total Undistributed Expenditures - Instruction	<u>1,000</u>	<u>33,000</u>	<u>34,000</u>	<u>33,933</u>	<u>67</u>
Health Services:					
Salaries	60,014	2,150	62,164	61,555	609
Purchased Professional and Technical Services	4,600	2,724	7,324	7,324	
Other Purchased Services (400-500 Series)	210		210		210
Supplies and Materials	2,380		2,380	2,015	365
Other Objects	185		185	179	6
Total Health Services	<u>67,389</u>	<u>4,874</u>	<u>72,263</u>	<u>71,073</u>	<u>1,190</u>
Speech, OT, PT and Other Related Services:					
Salaries	80,460		80,460	80,460	
Purchased Professional- Educational Services	39,010	(20,810)	18,200	18,199	1
Supplies and Materials	575		575	568	7
Speech, OT, PT and Other Related Services	<u>120,045</u>	<u>(20,810)</u>	<u>99,235</u>	<u>99,227</u>	<u>8</u>
Other Support Services - Students - Extraordinary Services:					
Purchased Professional - Educational Services	41,286	(24,800)	16,486	13,936	2,550
Total Other Support Services - Students - Extraordinary Services	<u>41,286</u>	<u>(24,800)</u>	<u>16,486</u>	<u>13,936</u>	<u>2,550</u>
Child Study Teams:					
Salaries of Other Professional Staff	238,221	(86,786)	151,435	146,695	4,740
Salaries of Secretarial and Clerical Assistants	20,498	8,000	28,498	28,233	265
Purchased Professional Educational Services	1,000	1,800	2,800	2,790	10
Other Purchased Professional and Technical Services	600		600	600	
Miscellaneous Purchased Services (400-500 series)	500		500	202	298
Supplies and Materials	1,105	2,100	3,205	3,194	11
Other Objects	429		429	244	185
Total Child Study Teams	<u>262,353</u>	<u>(74,886)</u>	<u>187,467</u>	<u>181,958</u>	<u>5,509</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Improvement of Instructional Services:					
Salaries of Supervisor of Instruction		\$ 63,000	\$ 63,000	\$ 63,000	
Salaries of Other Professional Staff	\$ 1,500		1,500	725	\$ 775
Supplies and Materials		1,300	1,300	1,264	36
Total Improvement of Instructional Services	1,500	64,300	65,800	64,989	811
Educational Media Services/School Library:					
Salaries	49,276	(11,000)	38,276	37,757	519
Purchased Professional and Technical Services	66,675	(18,600)	48,075	33,655	14,420
Supplies and Materials	8,394	(2,300)	6,094	6,022	72
Total Educational Media Services/School Library	124,345	(31,900)	92,445	77,434	15,011
Instructional Staff Training Services:					
Salaries of Other Professional Staff		800	800	800	
Purchased Professional - Educational Services	3,000	(2,000)	1,000	910	90
Other Purchased Services (400-500 Series)	3,275		3,275	2,584	691
Supplies and Materials	500		500	234	266
Total Instructional Staff Training Services	6,775	(1,200)	5,575	4,528	1,047
Support Services - General Administration:					
Salaries	88,881	(1,499)	87,382	87,063	319
Legal Services	5,000	2,800	7,800	7,700	100
Audit Fees	21,000		21,000	20,700	300
Architectural/Engineering Services	5,975	4,800	10,775	10,703	72
Other Purchased Professional Services	11,300	9,700	21,000	20,963	37
Communications/Telephone	18,185	2,775	20,960	19,638	1,322
BOE Other Purchased Services	1,000	(450)	550	343	207
Miscellaneous Purchased Services		2,675	2,675	2,350	325
General Supplies	4,775	150	4,925	4,909	16
BOE In-House Training/Meeting Supplies	250		250	196	54
Judgments Against the School District	12,000		12,000	12,000	
Miscellaneous Expenditures	1,640	1,350	2,990	2,880	110
BOE Memberships and Dues	3,200		3,200	3,133	67
Total Support Services - General Administration	173,206	22,301	195,507	192,578	2,929

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	\$ 109,825	\$ (1,500)	\$ 108,325	\$ 108,237	\$ 88
Salaries of Secretarial and Clerical Assistants	25,960	6,900	32,860	32,834	26
Purchased Professional and Technical Services	1,000	36	1,036	1,000	36
Other Purchased Services (400-500 Series)	800	200	1,000	891	109
Supplies and Materials	4,927	(450)	4,477	4,452	25
Other Objects	1,000	100	1,100	1,060	40
Total Support Services - School Administration	<u>143,512</u>	<u>5,286</u>	<u>148,798</u>	<u>148,474</u>	<u>324</u>
Central Services:					
Salaries	131,675	1	131,676	131,675	1
Purchased Professional Services	9,232	245	9,477	9,476	1
Miscellaneous Purchased Services (400-500 Series)	500		500	499	1
Supplies and Materials	3,500	(2,200)	1,300	1,226	74
Miscellaneous Expenditures	1,175		1,175	1,147	28
Total Central Services	<u>146,082</u>	<u>(1,954)</u>	<u>144,128</u>	<u>144,023</u>	<u>105</u>
Administration Information Technology:					
Salaries	11,588	100	11,688	11,681	7
Purchased Technical Services	21,743	(15,200)	6,543	5,992	551
Other Purchased Services (400-500 Series)	1,000		1,000	1,000	
Supplies and Materials	3,000	(1,000)	2,000	2,000	
Total Administration Information Technology	<u>37,331</u>	<u>(16,100)</u>	<u>21,231</u>	<u>20,673</u>	<u>558</u>
Required Maintenance of School Facilities:					
Salaries	15,314	950	16,264	16,264	
Cleaning, Repair and Maintenance Services	27,300	1,900	29,200	27,425	1,775
General Supplies	1,600		1,600	830	770
Total Required Maintenance of School Facilities	<u>44,214</u>	<u>2,850</u>	<u>47,064</u>	<u>44,519</u>	<u>2,545</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Custodial Services:					
Salaries	\$ 182,469	\$ 3,100	\$ 185,569	\$ 181,503	\$ 4,066
Salaries of Non-Instructional Aides	34,072	(11,000)	23,072	21,877	1,195
Purchased Professional and Technical Services	18,770	(7,000)	11,770	9,788	1,982
Cleaning, Repair and Maintenance Services	16,906		16,906	15,910	996
Insurance	35,000	(3,696)	31,304	31,304	
Miscellaneous Purchased Services	1,250	1,000	2,250	2,079	171
General Supplies	21,500	325	21,825	16,263	5,562
Other Objects	225		225	125	100
Energy (Natural Gas)	38,000	(6,900)	31,100	31,084	16
Energy (Electricity)	38,000	(4,600)	33,400	32,401	999
Lease Purchase Pymts - Energy Savings Improvement Program	49,386		49,386	49,385	1
<b>Total Custodial Services</b>	<b>435,578</b>	<b>(28,771)</b>	<b>406,807</b>	<b>391,719</b>	<b>15,088</b>
Care and Upkeep of Grounds:					
Salaries	24,288	2,500	26,788	25,893	895
Purchased Professional and Technical Services	2,000	(1,500)	500		500
General Supplies	6,000		6,000	4,058	1,942
<b>Total Care and Upkeep of Grounds</b>	<b>32,288</b>	<b>1,000</b>	<b>33,288</b>	<b>29,951</b>	<b>3,337</b>
Security:					
Purchased Professional and Technical Services	4,217		4,217	4,157	60
Cleaning, Repair and Maintenance Services	1,000		1,000	761	239
General Supplies	1,000	1,500	2,500		2,500
<b>Total Security</b>	<b>6,217</b>	<b>1,500</b>	<b>7,717</b>	<b>4,918</b>	<b>2,799</b>
Student Transportation Services:					
Management Fee - ESC Transportation Programs	2,800	(750)	2,050	1,981	69
Contracted Services:					
Other Between Home and School - Vendors	10,400		10,400	10,370	30
Special Education Students - Vendors	32,000	(6,450)	25,550	25,545	5



OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Student Transportation Services: (Cont'd)					
Regular Students - ESC & CTSA	\$ 13,000	\$ 1,800	\$ 14,800	\$ 14,789	\$ 11
Aid in Lieu Payments - Nonpublic School Students	4,000		4,000	3,536	464
Total Student Transportation Services	<u>62,200</u>	<u>(5,400)</u>	<u>56,800</u>	<u>56,221</u>	<u>579</u>
Unallocated Benefits:					
Social Security Contributions	55,000	18,500	73,500	73,468	32
Other Retirement Contribution - PERS	58,702	(8,500)	50,202	50,196	6
Other Retirement Contribution - Regular	5,500	2,905	8,405	8,391	14
Workmen's Compensation	46,000	(1,500)	44,500	44,442	58
Health Benefits	739,522	(44,200)	695,322	694,971	351
Tuition Reimbursement	18,000	7,100	25,100	25,089	11
Other Employee Benefits	500	22,110	22,610	22,543	67
Total Unallocated Benefits	<u>923,224</u>	<u>(3,585)</u>	<u>919,639</u>	<u>919,100</u>	<u>539</u>
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				109,461	(109,461)
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				173,768	(173,768)
Reimbursed TPAF Social Security Contributions (non-budgeted)				152,358	(152,358)
Total Personal Services - Employee Benefits				<u>435,587</u>	<u>(435,587)</u>
Total Undistributed Expenses	<u>2,628,545</u>	<u>(74,295)</u>	<u>2,554,250</u>	<u>2,934,841</u>	<u>(380,591)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>4,580,950</u>	<u>2,500</u>	<u>4,583,450</u>	<u>4,930,229</u>	<u>(346,779)</u>
CAPITAL OUTLAY:					
Equipment:					
Undistributed Expenditures - Instruction	7,200		7,200	7,200	
Custodial Services	27,870		27,870		27,870
Total Equipment	<u>35,070</u>		<u>35,070</u>	<u>7,200</u>	<u>27,870</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Facilities Acquisition and Construction Services:					
Construction Services	\$ 60,341		\$ 60,341	\$ 29,842	\$ 30,499
Debt Service Assessment for SDA Funding	6,657		6,657	6,657	
Total Facilities Acquisition and Construction Services	<u>66,998</u>		<u>66,998</u>	<u>36,499</u>	<u>30,499</u>
TOTAL CAPITAL OUTLAY	<u>102,068</u>		<u>102,068</u>	<u>43,699</u>	<u>58,369</u>
Transfer of Funds to Charter Schools	<u>60,000</u>	\$ (2,500)	<u>57,500</u>	<u>51,878</u>	<u>5,622</u>
TOTAL EXPENDITURES	<u>4,743,018</u>		<u>4,743,018</u>	<u>5,025,806</u>	<u>(282,788)</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(120,780)		(120,780)	3,828	124,608
Other Financing Uses:					
Transfer to Capital Projects Fund - Capital Reserve	(60,020)		(60,020)	(38,395)	21,625
Total Other Financing Uses	<u>(60,020)</u>		<u>(60,020)</u>	<u>(38,395)</u>	<u>21,625</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	(180,800)		(180,800)	(34,567)	146,233
Fund Balance, July 1	<u>401,668</u>		<u>401,668</u>	<u>401,668</u>	
Fund Balance, June 30	<u>\$ 220,868</u>	<u>\$ -0-</u>	<u>\$ 220,868</u>	<u>\$ 367,101</u>	<u>\$ 146,233</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

Recapitulation:

Restricted:

Capital Reserve

\$ 72,513

Assigned:

Year-End Encumbrances

10,957

For Subsequent Year's Expenditures

31,464

Unassigned

252,167

367,101

Reconciliation to Governmental Funds Statements (GAAP):

Last Two State Aid Payments not Recognized on GAAP Basis

(228,263)

Fund Balance per Governmental Funds (GAAP)

\$ 138,838

OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenue:					
Federal Sources	\$ 92,000	\$ 36,127	\$ 128,127	\$ 128,127	
Total Revenue	92,000	36,127	128,127	128,127	
Expenditures:					
Instruction:					
Salaries of Teachers	20,000	5,905	25,905	25,905	
Other Salaries for Instruction		50,000	50,000	50,000	
Tuition	62,000	(47,000)	15,000	15,000	
General Supplies		9,508	9,508	9,508	
Total Instruction	82,000	18,413	100,413	100,413	
Support Services:					
Personal Services - Employee Benefits		5,595	5,595	5,595	
Purchased Professional - Educational Services	5,000	13,857	18,857	18,857	
Other Purchased Services	5,000	(1,738)	3,262	3,262	
Total Support Services	10,000	17,714	27,714	27,714	
Total Expenditures	\$ 92,000	\$ 36,127	\$ 128,127	\$ 128,127	\$ -0-

OGDENSBURG BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 5,029,634	\$ 128,127
Differences - Budget to GAAP:		
Prior Year State Aid Payments Recognized for GAAP Statements	229,087	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(228,263)</u>	
 Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	 <u>\$ 5,030,458</u>	 <u>\$ 128,127</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 5,025,806	\$ 128,127
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 5,025,806</u>	<u>\$ 128,127</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2015 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)l. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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 special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The general fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND



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

	<u>No Child Left Behind</u>		<u>IDEA Part B</u>		<u>Totals</u>
	<u>Title I</u>	<u>Title II Part A</u>	<u>Basic</u>	<u>Preschool</u>	
REVENUE:					
Federal Sources	\$ 33,262	\$ 11,008	\$ 80,473	\$ 3,384	\$ 128,127
Total Revenue	<u>33,262</u>	<u>11,008</u>	<u>80,473</u>	<u>3,384</u>	<u>128,127</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	25,905				25,905
Other Salaries for Instruction			50,000		50,000
Tuition			15,000		15,000
General Supplies		9,508			9,508
Total Instruction	<u>25,905</u>	<u>9,508</u>	<u>65,000</u>		<u>100,413</u>
Support Services:					
Personal Services - Employee Benefits	5,595				5,595
Purchased Professional - Educational Services			15,473	3,384	18,857
Other Purchased Services	1,762	1,500			3,262
Total Support Services	<u>7,357</u>	<u>1,500</u>	<u>15,473</u>	<u>3,384</u>	<u>27,714</u>
Total Expenditures	<u>\$ 33,262</u>	<u>\$ 11,008</u>	<u>\$ 80,473</u>	<u>\$ 3,384</u>	<u>\$ 128,127</u>

CAPITAL PROJECTS FUND

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

Revenue and Other Financing Sources:	
State Sources - SDA Grant	\$ 25,596
Transfer from Capital Reserve Funds	<u>38,395</u>
Total Revenue and Other Financing Sources	<u>63,991</u>
Expenditures:	
Construction Services	<u>63,991</u>
Total Expenditures	<u>63,991</u>
Excess of Revenue and Other Financing Sources Over Expenditures	-0-
Fund Balance - Beginning of Year	<u>-0-</u>
Fund Balance - End of Year	<u><u>\$ -0-</u></u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
BUDGETARY BASIS  
REMOVE OLD AND INSTALL NEW PUBLIC ADDRESS SYSTEM  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Current Year	Totals	Final Project Authorization
Revenue and Other Financing Sources:			
State Sources - SDA Grant	\$ 25,596	\$ 25,596	\$ 25,596
Transfer from Capital Reserve	38,395	38,395	38,395
 Total Revenue and Other Financing Sources	 63,991	 63,991	 63,991
 Expenditures:			
Construction Services	63,991	63,991	63,991
 Total Expenditures	 63,991	 63,991	 63,991
 Excess/(Deficit) of Revenue and Other Financing Sources Over Expenditures	 \$ -0-	 \$ -0-	 \$ -0-

Additional Project Information:

Project Number	3840-050-13-G2QW
Grant Date	7/14/2014
Original Authorized Cost	\$ 100,033
Additional Authorized Cost	(36,042)
Revised Authorized Cost	<u>\$ 63,991</u>
 Percentage Completion	100.00%
Original Target Completion Date	6/30/2015
Revised Target Completion Date	6/30/2015

PROPRIETARY FUNDS

OGDENSBURG BOROUGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2015

## ASSETS:

Current Assets:	
Cash and Cash Equivalents	\$ 22,488
Intergovernmental Accounts Receivable:	
State	68
Federal	2,225
Inventories	<u>2,572</u>
Total Current Assets	<u>27,353</u>
Non-Current Assets:	
Capital Assets	51,970
Less: Accumulated Depreciation	<u>(43,425)</u>
Total Non-Current Assets	<u>8,545</u>
Total Assets	<u>35,898</u>
LIABILITIES:	
Current Liabilities:	
Unearned Revenue	<u>973</u>
Total Current Liabilities	<u>973</u>
NET POSITION:	
Net Investment in Capital Assets	8,545
Unrestricted	<u>26,380</u>
Total Net Position	<u><u>\$ 34,925</u></u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 30,140
Daily Sales - Non-Reimbursable Programs	19,555
	<hr/>
Total Operating Revenue	49,695
	<hr/>
Operating Expenses:	
Cost of Sales	46,941
Salaries, Benefits & Payroll Taxes	36,262
Supplies, Insurance & Other Costs	1,847
Management Fee	7,000
Depreciation Expense	1,319
	<hr/>
Total Operating Expenses	93,369
	<hr/>
Operating Loss	(43,674)
	<hr/>
Non-Operating Income:	
Local Sources:	
Interest Income	47
State Sources:	
State School Lunch Program	1,086
Federal Sources:	
National School Lunch Program	33,325
School Breakfast Program	2,237
Food Distribution Program	9,640
	<hr/>
Total Non-Operating Income	46,335
	<hr/>
Change in Net Position	2,661
	<hr/>
Net Position - Beginning of Year	32,264
	<hr/>
Net Position - End of Year	\$ 34,925
	<hr/> <hr/>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 49,695
Payments to Food Service Contractor	<u>(86,802)</u>
Net Cash Used for Operating Activities	<u>(37,107)</u>
Cash Flows by Investing Activities:	
Local Sources:	
Interest Income	<u>47</u>
Net Cash Provided by Investing Activities	<u>47</u>
Cash Flows from Noncapital Financing Activities:	
State Sources:	
State School Lunch Program - Received in Food Service Fund	1,218
Federal Sources:	
National School Lunch and School Breakfast Programs - Received in Food Service Fund	<u>40,758</u>
Net Cash Provided by Noncapital Financing Activities	<u>41,976</u>
Net Increase in Cash and Cash Equivalents	4,916
Cash and Cash Equivalents, July 1	<u>17,572</u>
Cash and Cash Equivalents, June 30	<u>\$ 22,488</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (43,674)
Adjustment to Reconcile Operating Loss to Cash Net Used for Operating Activities:	
Depreciation	1,319
Food Distribution Program	9,640
Changes in Assets and Liabilities:	
Decrease in Inventories	1,555
(Decrease) in Unearned Revenue	(1,132)
(Decrease) in Accounts Payable	<u>(4,815)</u>
Net Cash Used for Operating Activities	<u>\$ (37,107)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$8,508 and utilized U.S.D.A. Commodities valued at \$9,640.



FIDUCIARY FUNDS

OGDENSBURG BOROUGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2015

	<u>Student Activity Fund</u>	<u>Agency Payroll Agency Fund</u>	<u>Total Agency Funds</u>	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
ASSETS:					
Cash and Cash Equivalents	\$ 25,659	\$ 100	\$ 25,759	\$ 83,130	\$ 4,966
Total Assets	<u>\$ 25,659</u>	<u>\$ 100</u>	<u>\$ 25,759</u>	<u>\$ 83,130</u>	<u>\$ 4,966</u>
LIABILITIES:					
Interfund Payable - General Fund		\$ 100	\$ 100		
Due to Athletics Account	\$ 192		192		
Due to Student Groups	<u>25,467</u>		<u>25,467</u>		
Total Liabilities	<u>25,659</u>	<u>100</u>	<u>25,759</u>		
NET POSITION:					
Held in Trust for Unemployment Claims				\$ 83,130	
Restricted for Scholarships					<u>\$ 4,966</u>
Total Net Position	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 83,130</u>	<u>\$ 4,966</u>

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

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
Additions:		
Contributions:		
Plan Member Contributions	\$ 5,636	
Donations		\$ 550
Total Contributions	<u>5,636</u>	<u>550</u>
Investment Earnings:		
Interest	<u>155</u>	<u>2</u>
Net Investment Earnings	<u>155</u>	<u>2</u>
Total Additions	<u>5,791</u>	<u>552</u>
Deductions:		
Scholarships Awarded		<u>250</u>
Total Deductions		<u>250</u>
Change in Net Position	5,791	302
Net Position - Beginning of the Year	<u>77,339</u>	<u>4,664</u>
Net Position - End of the Year	<u>\$ 83,130</u>	<u>\$ 4,966</u>

Exhibit H-3

OGDENSBURG BOROUGH SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2014</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 26,285	\$ 19,546	\$ 20,172	\$ 25,659
Total Assets	<u>\$ 26,285</u>	<u>\$ 19,546</u>	<u>\$ 20,172</u>	<u>\$ 25,659</u>
<u>LIABILITIES:</u>				
Due to Athletics Account	\$ 751	\$ 1,501	\$ 2,060	\$ 192
Due to Student Groups	<u>25,534</u>	<u>18,045</u>	<u>18,112</u>	<u>25,467</u>
Total Liabilities	<u>\$ 26,285</u>	<u>\$ 19,546</u>	<u>\$ 20,172</u>	<u>\$ 25,659</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 132	\$ 4,110,007	\$ 4,110,039	\$ 100
Total Assets	<u>\$ 132</u>	<u>\$ 4,110,007</u>	<u>\$ 4,110,039</u>	<u>\$ 100</u>
<u>LIABILITIES:</u>				
Interfund Payable:				
General Fund	\$ 14	\$ 219	\$ 133	\$ 100
Payroll Deductions and Withholdings	<u>118</u>	<u>4,109,788</u>	<u>4,109,906</u>	
Total Liabilities	<u>\$ 132</u>	<u>\$ 4,110,007</u>	<u>\$ 4,110,039</u>	<u>\$ 100</u>

LONG-TERM DEBT

OGDENSBURG BOROUGH SCHOOL DISTRICT  
LONG-TERM DEBT  
STATEMENT OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2014	Retired or Matured	Balance June 30, 2015
			Date	Amount				
Americans with Disabilities Upgrade, Replacement of Windows, Removal of Existing Playground and Installation of a New Playground	07/15/08	\$ 275,000	7/15/15	\$ 42,000	4.30%	\$ 127,000	\$ 45,000	\$ 82,000
			7/15/16	40,000	4.30%			
						<u>\$ 127,000</u>	<u>\$ 45,000</u>	<u>\$ 82,000</u>
						<u>\$ 127,000</u>	<u>\$ 45,000</u>	<u>\$ 82,000</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<u>Series</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2014</u>	<u>Retired or Matured</u>	<u>Balance June 30, 2015</u>
2 Boilers	2.75%	\$ 103,955	\$ 41,860	\$ 20,787	\$ 21,073
John Deere Tractor and Mower and Kyocera Copiers	2.80%	78,135	<u>26,881</u>	<u>26,881</u>	<u>          </u>
			<u>\$ 68,741</u>	<u>\$ 47,668</u>	<u>\$ 21,073</u>



OGDENSBURG BOROUGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 68,703		\$ 68,703	\$ 68,703	
Total Revenue	68,703		68,703	68,703	
EXPENDITURES:					
Regular Debt Service:					
Interest	2,915	\$ 1,579	4,494	4,494	
Redemption of Principal	65,788	(1,579)	64,209	45,000	\$ 19,209
Total Regular Debt Service	68,703		68,703	49,494	19,209
Total Expenditures	68,703		68,703	49,494	19,209
Excess of Revenues Over Expenditures				19,209	19,209
Fund Balance, July 1	1		1	1	
Fund Balance, June 30	\$ 1	\$ -0-	\$ 1	\$ 19,210	\$ 19,209
<u>Recapitulation:</u>					
Restricted for Subsequent Year's Expenditures				\$ 19,210	

**STATISTICAL SECTION**  
(UNAUDITED)

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

**Contents**

	<b><u>Exhibit</u></b>
<p><b>Financial Trends</b></p> <p>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</p>	J-1 thru J-5
<p><b>Revenue Capacity</b></p> <p>These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.</p>	J-6 thru J-9
<p><b>Debt Capacity</b></p> <p>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.</p>	J-10 thru J-13
<p><b>Demographic and Economic Information</b></p> <p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.</p>	J-14 thru J-15
<p><b>Operating Information</b></p> <p>These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.</p>	J-16 thru J-20

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

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

	June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014*	2015
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 675,143	\$ 762,698	\$ 794,077	\$ 502,738	\$ 522,473	\$ 550,367	\$ 858,407	\$ 999,590	\$ 1,038,098	\$ 1,135,494
Restricted/(Deficit)	185,503	55,569	(255,502)	51,896	59,022	144,091	131	50,132	55,098	91,723
Unrestricted/(Deficit)	(181,099)	(36,098)	4,741	(84,375)	(95,353)	(137,714)	33,699	(97,346)	(1,124,221)	(1,168,908)
<b>Total Governmental Activities Net Position</b>	<u>\$ 679,547</u>	<u>\$ 782,169</u>	<u>\$ 543,316</u>	<u>\$ 470,259</u>	<u>\$ 486,142</u>	<u>\$ 556,744</u>	<u>\$ 892,237</u>	<u>\$ 952,376</u>	<u>\$ (31,025)</u>	<u>\$ 58,309</u>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 9,179	\$ 8,284	\$ 11,140	\$ 10,139	\$ 9,005	\$ 7,871	\$ 12,707	\$ 11,182	\$ 9,863	\$ 8,545
Unrestricted	246	2,491	5,974	6,033	8,116	8,839	12,405	16,865	22,401	26,380
<b>Total Business-Type Activities Net Position</b>	<u>\$ 9,425</u>	<u>\$ 10,775</u>	<u>\$ 17,114</u>	<u>\$ 16,172</u>	<u>\$ 17,121</u>	<u>\$ 16,710</u>	<u>\$ 25,112</u>	<u>\$ 28,047</u>	<u>\$ 32,264</u>	<u>\$ 34,925</u>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 684,322	\$ 770,982	\$ 805,217	\$ 512,877	\$ 531,478	\$ 558,238	\$ 871,114	\$ 1,010,772	\$ 1,047,961	\$ 1,144,039
Restricted/(Deficit)	185,503	55,569	(255,502)	51,896	59,022	144,091	131	50,132	55,098	91,723
Unrestricted/(Deficit)	(180,853)	(33,607)	10,715	(78,342)	(87,237)	(128,875)	46,104	(80,481)	(1,101,820)	(1,142,528)
<b>Total District Net Position</b>	<u>\$ 688,972</u>	<u>\$ 792,944</u>	<u>\$ 560,430</u>	<u>\$ 486,431</u>	<u>\$ 503,263</u>	<u>\$ 573,454</u>	<u>\$ 917,349</u>	<u>\$ 980,423</u>	<u>\$ 1,239</u>	<u>\$ 93,234</u>

\* Restated

Source: School District Financial Reports

OGDENSBURG BOROUGH SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
UNAUDITED  
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 2,145,231	\$ 1,994,863	\$ 2,021,270	\$ 1,949,580	\$ 1,925,261	\$ 1,793,060	\$ 1,802,802	\$ 2,058,304	\$ 2,019,847	\$ 2,387,210
Special Education	742,429	744,483	824,628	847,685	849,772	721,931	697,382	738,859	812,554	975,883
Other Special Instruction	76,263	121,247	116,718	42,841	77,103	111,445	125,812	115,795	136,861	94,533
School Sponsored/Other Instruction	35,934	48,216	50,423	50,007	59,265	48,334	75,181	98,187	115,870	124,506
Support Services:										
Tuition	63,268	108,895	95,995	59,839	63,665	99,846	96,859	10,142	13,096	33,933
Student & Instruction Related Services	562,083	643,418	679,253	563,354	674,800	595,834	626,820	664,013	651,418	702,673
General Administrative Services	255,684	231,570	243,619	224,207	210,098	177,700	188,514	195,285	209,961	244,488
School Administrative Services	209,472	122,475	204,309	170,961	197,756	174,094	189,586	204,144	198,187	215,527
Central Services	139,275	158,975	167,328	152,650	161,712	167,781	172,321	173,095	182,299	202,096
Administrative Information Technology		16,103	43,499	21,322	17,569	23,215	9,764	42,955	27,535	24,592
Plant Operations And Maintenance	395,353	384,094	433,849	423,803	463,204	455,141	498,800	514,459	505,315	511,123
Pupil Transportation	42,888	88,571	128,439	107,776	96,174	69,455	69,924	81,177	58,423	56,221
Capital Outlay	16,041		14,467		8,200	30,996	18,448	12,686	25,803	13,857
Charter Schools	17,276	17,910	9,311		22,753	53,042	83,556	44,036	68,888	51,878
Interest On Long-Term Debt	19,906	25,284	26,348	31,930	17,933	14,674	11,252	7,995	5,564	3,608
Total Governmental Activities Expenses	<u>4,721,103</u>	<u>4,706,104</u>	<u>5,059,456</u>	<u>4,645,955</u>	<u>4,845,265</u>	<u>4,536,548</u>	<u>4,667,021</u>	<u>4,961,132</u>	<u>5,031,621</u>	<u>5,642,128</u>
Business-type activities:										
Food Service	130,855	81,959	84,238	84,423	88,407	83,230	89,766	87,004	92,956	93,369
Total Business-Type Activities Expense	<u>130,855</u>	<u>81,959</u>	<u>84,238</u>	<u>84,423</u>	<u>88,407</u>	<u>83,230</u>	<u>89,766</u>	<u>87,004</u>	<u>92,956</u>	<u>93,369</u>
Total District Expenses	<u>\$ 4,851,958</u>	<u>\$ 4,788,063</u>	<u>\$ 5,143,694</u>	<u>\$ 4,730,378</u>	<u>\$ 4,933,672</u>	<u>\$ 4,619,778</u>	<u>\$ 4,756,787</u>	<u>\$ 5,048,136</u>	<u>\$ 5,124,577</u>	<u>\$ 5,735,497</u>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
Operating Grants and Contributions	\$ 1,000,481	\$ 1,157,695	\$ 1,159,312	\$ 610,499	\$ 697,375	\$ 592,341	\$ 728,709	\$ 739,825	\$ 704,557	\$ 1,222,984
Capital Grants and Contributions							138,259	34,565		25,596
<b>Total Governmental Activities Program Revenues</b>	<b>1,000,481</b>	<b>1,157,695</b>	<b>1,159,312</b>	<b>610,499</b>	<b>697,375</b>	<b>592,341</b>	<b>866,968</b>	<b>774,390</b>	<b>704,557</b>	<b>1,248,580</b>
<b>Business-Type Activities:</b>										
<b>Charges for Services:</b>										
Food Service	\$ 73,823	\$ 52,808	\$ 60,163	\$ 59,116	\$ 60,749	\$ 58,402	\$ 58,633	\$ 52,276	\$ 54,323	\$ 49,695
Operating Grants and Contributions	31,067	25,319	26,322	24,307	28,544	24,385	33,534	37,631	42,816	46,288
<b>Total Business Type Activities Program Revenues</b>	<b>104,890</b>	<b>78,127</b>	<b>86,485</b>	<b>83,423</b>	<b>89,293</b>	<b>82,787</b>	<b>92,167</b>	<b>89,907</b>	<b>97,139</b>	<b>95,983</b>
<b>Total District Program Revenues</b>	<b>\$ 1,105,371</b>	<b>\$ 1,235,822</b>	<b>\$ 1,245,797</b>	<b>\$ 693,922</b>	<b>\$ 786,668</b>	<b>\$ 675,128</b>	<b>\$ 959,135</b>	<b>\$ 864,297</b>	<b>\$ 801,696</b>	<b>\$ 1,344,563</b>
<b>Net (Expense)/Revenue:</b>										
Governmental Activities	\$ (3,720,622)	\$ (3,548,409)	\$ (3,900,144)	\$ (4,035,456)	\$ (4,147,890)	\$ (3,944,207)	\$ (3,800,053)	\$ (4,186,742)	\$ (4,327,064)	\$ (4,393,548)
Business-Type Activities	(25,965)	(3,832)	2,247	(1,000)	886	(443)	2,401	2,903	4,183	2,614
<b>Total District-Wide Net (Expense)/Revenue</b>	<b>\$ (3,746,587)</b>	<b>\$ (3,552,241)</b>	<b>\$ (3,897,897)</b>	<b>\$ (4,036,456)</b>	<b>\$ (4,147,004)</b>	<b>\$ (3,944,650)</b>	<b>\$ (3,797,652)</b>	<b>\$ (4,183,839)</b>	<b>\$ (4,322,881)</b>	<b>\$ (4,390,934)</b>

OGDENSBURG BOROUGH SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
UNAUDITED  
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 1,824,627	\$ 1,966,856	\$ 1,933,090	\$ 2,010,414	\$ 2,097,918	\$ 2,135,868	\$ 2,178,585	\$ 2,222,157	\$ 2,266,600	\$ 2,289,266
Taxes Levied for Debt Service	49,686	41,561	57,714	66,037	67,556	73,124	73,763	67,210	55,824	68,703
Tuition	40,973	12,421	2,572	3,464			24,440	17,105	19,650	8,910
Unrestricted Grants and Contributions	1,591,044	1,598,634	1,654,757	1,873,677	1,988,256	1,801,282	1,855,676	1,912,794	2,098,913	2,111,649
Investment Earnings	1,117	29	7	136	128					
Miscellaneous Income	10,011	36,530	17,141	8,671	9,915	4,535	9,052	27,615	3,059	4,354
Transfers	(2,500)	(5,000)	(3,990)				(5,970)			
<b>Total Governmental Activities</b>	<b>3,514,958</b>	<b>3,651,031</b>	<b>3,661,291</b>	<b>3,962,399</b>	<b>4,163,773</b>	<b>4,014,809</b>	<b>4,135,546</b>	<b>4,246,881</b>	<b>4,444,046</b>	<b>4,482,882</b>
Business-Type Activities:										
Investment Earnings	317	182	102	58	63	32	31	32	34	47
Capital Contribution	21,403		3,990							
Transfers	2,500	5,000					5,970			
<b>Total Business-Type Activities</b>	<b>24,220</b>	<b>5,182</b>	<b>4,092</b>	<b>58</b>	<b>63</b>	<b>32</b>	<b>6,001</b>	<b>32</b>	<b>34</b>	<b>47</b>
<b>Total District-Wide</b>	<b>\$ 3,539,178</b>	<b>\$ 3,656,213</b>	<b>\$ 3,665,383</b>	<b>\$ 3,962,457</b>	<b>\$ 4,163,836</b>	<b>\$ 4,014,841</b>	<b>\$ 4,141,547</b>	<b>\$ 4,246,913</b>	<b>\$ 4,444,080</b>	<b>\$ 4,482,929</b>
Change in Net Position:										
Governmental Activities	\$ (205,664)	\$ 102,622	\$ (238,853)	\$ (73,057)	\$ 15,883	\$ 70,602	\$ 335,493	\$ 60,139	\$ 116,982	\$ 89,334
Business-Type Activities	(1,745)	1,350	6,339	(942)	949	(411)	8,402	2,935	4,217	2,661
<b>Total District</b>	<b>\$ (207,409)</b>	<b>\$ 103,972</b>	<b>\$ (232,514)</b>	<b>\$ (73,999)</b>	<b>\$ 16,832</b>	<b>\$ 70,191</b>	<b>\$ 343,895</b>	<b>\$ 63,074</b>	<b>\$ 121,199</b>	<b>\$ 91,995</b>

Source: School District Financial Reports

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

	June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Reserved/Restricted	\$ 466,951	\$ 354,128	\$ 34,474	\$ 51,208	\$ 59,020	\$ 35,129	\$ 129	\$ 50,129	\$ 55,097	\$ 72,513
Assigned							185,648	34,109	117,484	42,421
Unassigned/(Deficit)						(26,512)				23,904
Unreserved	8,049	123,891	142,645	45,953	35,121					
Total General Fund	<u>\$ 475,000</u>	<u>\$ 478,019</u>	<u>\$ 177,119</u>	<u>\$ 97,161</u>	<u>\$ 94,141</u>	<u>\$ 8,617</u>	<u>\$ 185,777</u>	<u>\$ 84,238</u>	<u>\$ 172,581</u>	<u>\$ 138,838</u>
All Other Governmental Funds:										
Restricted						\$ 3	\$ 2	\$ 3	\$ 1	\$ 19,210
Committed						108,959		4,896		
Unassigned/(Deficit)							(29,669)			
Unreserved/(Deficit), Reported In:										
Capital Projects Fund	\$ (305,275)	\$ (310,727)	\$ (293,419)							
Debt Service Fund	23,827	12,168	3,443	\$ 688	\$ 2					
Total All Other Governmental Funds	<u>\$ (281,448)</u>	<u>\$ (298,559)</u>	<u>\$ (289,976)</u>	<u>\$ 688</u>	<u>\$ 2</u>	<u>\$ 108,962</u>	<u>\$ (29,667)</u>	<u>\$ 4,899</u>	<u>\$ 1</u>	<u>\$ 19,210</u>
Total Governmental Funds:										
Reserved/Restricted	\$ 466,951	\$ 354,128	\$ 34,474	\$ 51,208	\$ 59,020	\$ 35,132	\$ 131	\$ 50,132	\$ 55,098	\$ 91,723
Committed						108,959		4,896		
Assigned							185,648	34,109	117,484	42,421
Unassigned/(Deficit)						(26,512)	(29,669)			23,904
Unreserved/(Deficit)	(273,399)	(174,668)	(147,331)	46,641	35,123					
Total Governmental Funds/(Deficit)	<u>\$ 193,552</u>	<u>\$ 179,460</u>	<u>\$ (112,857)</u>	<u>\$ 97,849</u>	<u>\$ 94,143</u>	<u>\$ 117,579</u>	<u>\$ 156,110</u>	<u>\$ 89,137</u>	<u>\$ 172,582</u>	<u>\$ 158,048</u>

Source: School District Financial Reports

OGDENSBURG BOROUGH SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(modified accrual basis of accounting)*

	For the Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenue:</b>										
Tax Levy	\$ 1,874,313	\$ 2,008,417	\$ 1,990,804	\$ 2,076,451	\$ 2,165,474	\$ 2,208,992	\$ 2,252,348	\$ 2,289,367	\$ 2,322,424	\$ 2,357,969
Tuition Charges	40,973	12,421	2,572	3,464			24,440	17,105	19,650	8,910
Interest Earnings	1,117	29	7	136	128					204
Miscellaneous	10,011	36,530	21,831	9,476	9,915	8,032	10,979	27,615	3,716	4,150
State Sources	2,452,902	2,603,999	2,681,642	2,359,084	2,237,703	2,270,270	2,534,698	2,571,778	2,671,596	2,753,524
Federal Sources	138,623	152,330	127,737	124,287	447,928	119,856	186,019	115,406	131,217	128,127
<b>Total Revenue</b>	<b>4,517,939</b>	<b>4,813,726</b>	<b>4,824,593</b>	<b>4,572,898</b>	<b>4,861,148</b>	<b>4,607,150</b>	<b>5,008,484</b>	<b>5,021,271</b>	<b>5,148,603</b>	<b>5,252,884</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	1,495,077	1,366,061	1,334,853	1,360,376	1,329,201	1,227,872	1,222,921	1,372,122	1,367,489	1,385,257
Special Education Instruction	563,128	538,904	603,956	629,143	639,442	527,085	501,450	517,604	573,725	602,215
Other Special Instruction	46,024	81,684	76,136	40,114	53,686	83,040	85,777	77,094	93,769	54,531
School Sponsored/Other Instruction	29,274	39,831	41,084	36,853	57,571	31,705	55,585	71,064	84,777	81,512
<b>Support Services:</b>										
Tuition	17,604	64,047	95,995	59,839	63,665	99,846	95,429	11,572	13,096	33,933
Student & Instruction Related Services	451,076	491,238	507,448	448,313	524,261	467,718	492,916	532,295	501,513	513,145
General Administrative Services	221,252	204,874	194,250	196,173	186,411	153,991	165,184	171,980	184,313	192,578
School Administrative Services	148,878	85,388	134,226	123,430	138,095	123,324	133,471	140,826	140,223	148,474
Central Services	105,383	120,292	117,188	124,107	129,273	130,382	135,371	136,621	141,404	144,023
Administrative Information Technology	16,103	43,499	21,322	17,569	23,215	9,764	39,829	22,905	20,673	
Plant Operations And Maintenance	356,266	356,382	386,323	372,283	404,642	398,091	399,006	486,781	470,749	471,107
Pupil Transportation	42,888	88,571	128,439	107,776	96,174	69,455	69,924	81,177	58,423	56,221
Unallocated Benefits	1,021,554	1,208,685	1,268,122	1,032,936	1,076,432	1,038,411	1,065,712	1,202,942	1,238,552	1,354,687
Charter Schools	17,276	17,910	9,311	22,753	53,042	83,556	44,036	68,888	51,878	
Capital Outlay	48,753	66,191	94,186	6,208	30,323	59,159	454,634	191,297	46,692	107,690
<b>Debt Service:</b>										
Redemption of Principal	50,431	59,301	68,086	69,384	76,155	81,360	84,576	79,807	52,051	45,000
Interest And Other Charges	20,802	26,056	27,126	27,354	19,201	16,018	12,662	9,332	6,589	4,494
<b>Total Expenditures</b>	<b>4,635,666</b>	<b>4,831,518</b>	<b>5,130,228</b>	<b>4,655,611</b>	<b>4,864,854</b>	<b>4,583,714</b>	<b>5,067,938</b>	<b>5,166,379</b>	<b>5,065,158</b>	<b>5,267,418</b>



OGDENSBURG BOROUGH SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
UNAUDITED  
 (modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Excess/(Deficit) of Revenues Under/(Over) Expenditures	\$ (117,727)	\$ (17,792)	\$ (305,635)	\$ (82,713)	\$ (3,706)	\$ 23,436	\$ (59,454)	\$ (145,108)	\$ 83,445	\$ (14,534)
Other Financing Sources/(Uses)										
Capital Leases (non-budgeted)	19,181						103,955	78,135		
Budget Appropriations		8,700	17,308	18,419						
Bond Proceeds				275,000						
Transfers In	834					139,955	60,000		4,896	
Transfers Out	(3,334)	(5,000)	(3,990)			(139,955)	(65,970)		(4,896)	
Total Other Financing Sources/(Uses)	16,681	3,700	13,318	293,419			97,985	78,135		
Net Change In Fund Balances	<u>\$ (101,046)</u>	<u>\$ (14,092)</u>	<u>\$ (292,317)</u>	<u>\$ 210,706</u>	<u>\$ (3,706)</u>	<u>\$ 23,436</u>	<u>\$ 38,531</u>	<u>\$ (66,973)</u>	<u>\$ 83,445</u>	<u>\$ (14,534)</u>
Debt Service As A Percentage Of Noncapital Expenditures	<u>1.55%</u>	<u>1.79%</u>	<u>1.89%</u>	<u>2.08%</u>	<u>1.97%</u>	<u>2.15%</u>	<u>2.11%</u>	<u>1.79%</u>	<u>1.17%</u>	<u>0.96%</u>

Source: School District Financial Reports

OGDENSBURG BOROUGH SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(modified accrual basis of accounting)*

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Refunds</u>	<u>Tuition</u>	<u>Miscellaneous</u>	<u>Total</u>
2006	\$ 283		\$ 40,973	\$ 10,011	\$ 51,267
2007	26,201	\$ 4,376	12,421	5,982	48,980
2008	16,807		2,572	341	19,720
2009	2,483	107	3,464	9	6,063
2010	2,635	5,868		1,540	10,043
2011		1,580		2,955	4,535
2012		7,771	24,440	1,281	33,492
2013	108	19,309	17,105	7,610	44,132
2014	72		19,650	2,987	22,709
2015	204		8,910	4,150	13,264

Source: Ogdensburg Borough School District records

OGDENSBURG BOROUGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2005	\$ 3,180,300	\$ 101,795,750	\$ 624,600	\$ 21,100	\$ 7,047,600	\$ 1,646,200	\$ 734,000	\$ 115,049,550	\$ 331,769	\$ 115,381,319	\$ 11,317,600	\$ 1.625	\$ 178,553,219
2006	3,044,800	102,175,450	624,600	21,100	7,047,600	1,646,200	734,000	115,293,750	269,406	115,563,156	11,317,600	1.630	197,250,371
2007	3,253,000	103,237,950	624,600	21,100	7,386,800	1,646,200	734,700	116,904,350	217,714	117,122,064	11,317,600	1.708	231,156,302
2008	2,992,800	103,189,750	624,600	21,100	7,241,600	1,446,200	734,700	116,250,750	189,815	116,440,565	11,523,300	1.746	245,758,896
2009	* 5,102,800	215,463,800	317,600	10,100	15,103,400	3,462,500	2,788,100	242,248,300	256,190	242,504,490	20,829,900	0.875	248,778,902
2010	4,471,000	215,264,100	317,600	15,900	15,285,900	3,462,500	2,788,100	241,605,100	376,515	241,981,615	21,334,400	0.904	246,933,065
2011	3,232,200	215,743,200	317,600	15,900	15,747,300	3,137,000	2,788,100	240,981,300	414,607	241,395,907	22,516,400	0.924	243,352,322
2012	3,430,500	215,323,000	317,600	15,900	15,549,000	3,137,000	2,788,100	240,561,100	436,209	240,997,309	22,775,300	0.942	233,041,034
2013	3,392,900	214,338,300	317,600	15,900	15,549,000	3,024,300	2,710,800	239,348,800	416,585	239,765,385	22,424,100	0.969	216,669,834
2014	* 2,858,300	178,456,800	279,200	13,500	11,442,000	2,672,200	1,648,200	197,370,200	405,852	197,776,052	20,907,700	1.192	216,669,834

\* - Revaluation Year

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation.

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

b Tax rates are per \$100 of assessed value.

Source: Municipal Tax Assessor

OGDENSBURG BOROUGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
(rate per \$100 of assessed value)

Year Ended December 31,	Ogdensburg Borough School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Walkill Valley Regional	Borough of Ogdensburg	Sussex County	
2005	\$ 1.590	\$ 0.040	\$ 1.625	\$ 0.668	\$ 1.393	\$ 0.680	\$ 4.366
2006	1.600	0.030	1.630	0.704	1.437	0.725	4.496
2007	1.670	0.040	1.708	0.740	1.479	0.803	4.730
2008	1.691	0.055	1.746	0.753	1.563	0.809	4.871
2009	* 0.848	0.027	0.875	0.335	0.787	0.390	2.387
2010	0.874	0.030	0.904	0.323	0.869	0.412	2.508
2011	0.894	0.030	0.924	0.333	0.905	0.437	2.599
2012	0.971	0.029	0.942	0.368	0.906	0.447	2.663
2013	0.945	0.023	0.969	0.391	0.906	0.445	2.711
2014	* 1.158	0.035	1.192	0.547	1.088	0.528	3.355

\* - Revaluation Year

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

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

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

Source: Municipal Tax Collector and School Business Administrator

OGDENSBURG BOROUGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS.  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

2015			2006		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Jimmy Dobbins PL	\$ 2,136,200	1.08%	Estate of John Dobbins	\$ 1,725,000	1.49%
Ogdensburg Associates	1,598,500	0.81%	Ogdensburg Associates	1,100,000	0.95%
Pokorny Properties LLC	1,514,300	0.77%	Sterling Hill Mining Museum, Inc	1,019,000	0.88%
83 Main St. LLC	556,900	0.28%	Individual Taxpayer #1	690,100	0.60%
Individual Taxpayer #1	528,400	0.27%	AA-1 Self Storage LLC	672,400	0.58%
Individual Taxpayer #2	501,400	0.25%	Individual Taxpayer #2	550,700	0.48%
Sterling Hill Mining Museum, Inc	501,000	0.25%	Individual Taxpayer #3	432,000	0.37%
Individual Taxpayer #3	456,700	0.23%	Individual Taxpayer #4	419,600	0.36%
Individual Taxpayer #4	453,700	0.23%	100 Pane St. LLC	405,600	0.35%
United Telephone	451,311	0.23%	Individual Taxpayer #5	394,100	0.34%
<b>Total</b>	<b>\$ 8,698,411</b>	<b>4.40%</b>	<b>Total</b>	<b>\$ 7,408,500</b>	<b>6.40%</b>

Notes: Individual taxpayers may be different in 2015 and 2006. A revaluation was effective in 2009 and 2014.

Source: Ogdensburg Borough Tax Assessor

Exhibit J-9

OGDENSBURG BOROUGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal</u> <u>Year of the Levy</u> <sup>a</sup>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2006	\$ 1,874,313	\$ 1,874,313	100.00%	-0-
2007	2,008,417	2,008,417	100.00%	-0-
2008	1,990,804	1,990,804	100.00%	-0-
2009	2,076,451	2,076,451	100.00%	-0-
2010	2,165,474	2,165,474	100.00%	-0-
2011	2,208,992	2,208,992	100.00%	-0-
2012	2,252,348	2,252,348	100.00%	-0-
2013	2,289,367	2,289,367	100.00%	-0-
2014	2,322,424	2,322,424	100.00%	-0-
2015	2,357,969	2,357,969	100.00%	-0-

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

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

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

Fiscal Year Ended June 30,	Governmental Activities			Bond Anticipation Notes (BANs)	Business-Type Activities Capital Leases	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Loans	Capital Leases					
2006	\$ 328,000	\$ 50,293	\$ 19,181	\$ 400,000	\$ -0-	\$ 797,474	0.71%	\$ 307.43
2007	283,000	44,692	-0-	391,300	-0-	718,992	0.60%	277.39
2008	238,000	38,914	-0-	293,419	-0-	570,333	0.45%	221.23
2009	468,000	32,949	-0-	-0-	-0-	500,949	0.39%	195.53
2010	398,000	26,794	-0-	-0-	-0-	424,794	0.34%	166.46
2011	323,000	20,434	-0-	-0-	-0-	343,434	0.29%	143.94
2012	245,000	13,858	82,592	-0-	-0-	341,450	0.28%	144.07
2013	172,000	7,051	115,500	-0-	-0-	294,551	0.24%	125.23
2014	127,000	-0-	68,741	-0-	-0-	195,741	0.16%	84.19
2015	82,000	-0-	21,073	-0-	-0-	103,073	0.08%	44.62

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

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

Source: School District Financial Reports

Exhibit J-11

OGDENSBURG BOROUGH SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation <sup>a</sup> Taxable	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2006	\$ 328,000	\$ -0-	\$ 328,000	0.28%	\$ 126.45
2007	283,000	-0-	283,000	0.24%	109.18
2008	238,000	-0-	238,000	0.20%	92.32
2009	468,000	-0-	468,000	0.40%	182.67
2010	398,000	-0-	398,000	0.16%	155.96
2011	323,000	-0-	323,000	0.13%	135.37
2012	245,000	-0-	245,000	0.10%	103.38
2013	172,000	-0-	172,000	0.07%	73.13
2014	127,000	-0-	127,000	0.05%	54.62
2015	82,000	-0-	82,000	0.04%	35.50

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

a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

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

Source: School District Financial Reports



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

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes			
Wallkill Valley Regional School District	\$ 3,775,000	10.01%	\$ 377,986
Borough of Ogdensburg	854,738	100.00%	854,738
Sussex County General Obligation Debt	68,100,067	1.22%	<u>830,256</u>
Subtotal, Overlapping Debt			2,062,979
Ogdensburg Borough Board of Education School District Direct Debt			<u>82,000</u>
Total Direct And Overlapping Debt			<u>\$ 2,144,979</u>

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 that is borne by the residents and businesses of Ogdensburg. This process recognizes that, when considering the District's ability to issue and repay long-term, 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 unit.

<sup>a</sup> For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable equalized property values. Applicable percentages were estimated by determining the portion of Ogdensburg Borough's equalized property value that is within the Sussex County's boundaries and dividing it by Sussex County's total equalized property value.

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

OGDENSBURG BOROUGH SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION,  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2015

Equalized valuation basis	
2014	\$ 193,576,108
2013	199,142,025
2012	214,882,626
	<u>\$ 607,600,759</u>
Average Equalized Valuation of Taxable Property	<u>\$ 202,533,586</u>
Debt Limit (3% of average equalization value)	a \$ 6,076,008
Net Bonded School Debt	82,000
Legal Debt Margin	<u>\$ 5,994,008</u>

	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt Limit	\$ 7,259,213	\$ 7,154,945	\$ 6,860,767	\$ 6,444,083	\$ 6,076,008
Total Net Debt Applicable to Limit	<u>323,000</u>	<u>245,000</u>	<u>172,000</u>	<u>127,000</u>	<u>82,000</u>
Legal Debt Margin	<u>\$ 6,936,213</u>	<u>\$ 6,909,945</u>	<u>\$ 6,688,767</u>	<u>\$ 6,317,083</u>	<u>\$ 5,994,008</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	4.45%	3.42%	2.51%	1.97%	1.35%

	<u>Fiscal Year</u>				
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Debt Limit	\$ 5,283,884	\$ 5,954,831	\$ 6,638,199	\$ 7,150,017	\$ 7,340,751
Total Net Debt Applicable to Limit	<u>728,000</u>	<u>674,300</u>	<u>531,419</u>	<u>468,000</u>	<u>398,000</u>
Legal Debt Margin	<u>\$ 4,555,884</u>	<u>\$ 5,280,531</u>	<u>\$ 6,106,780</u>	<u>\$ 6,682,017</u>	<u>\$ 6,942,751</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	13.78%	11.32%	8.01%	6.55%	5.42%

a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

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

OGDENSBURG BOROUGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Year</u>	<u>Population<sup>a</sup></u>	<u>Borough Personal Income<sup>b</sup></u>	<u>Sussex County Per Capita Personal Income<sup>c</sup></u>	<u>Unemployment Rate<sup>d</sup></u>
2006	2,592	\$ 119,750,400	\$ 46,200	3.70%
2007	2,578	126,059,044	48,898	3.50%
2008	2,562	127,459,500	49,750	4.50%
2009	2,552	123,162,072	48,261	7.60%
2010	2,386	117,014,212	49,042	8.10%
2011	2,370	120,396,000	50,800	7.90%
2012	2,352	123,672,864	52,582	7.80%
2013	2,325	123,127,350	52,958	4.40%
2014	2,310	122,332,980 ***	52,958 *	6.30%
2015	2,310 **	122,332,980 ***	52,958 *	N/A

\* - Latest Sussex County per capita personal income available (2013) was used for calculation purposes.

\*\* - Latest population data available (2014) was used for calculation purposes.

\*\*\* - Latest available population data (2014) and latest available Sussex County per capita personal income (2013) was used for calculation purposes

N/A - Information Unavailable

Sources:

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

Exhibit J-15

OGDENSBURG BOROUGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - COUNTY OF SUSSEX,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

<u>Employer</u>	<u>2014</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>
Crystal Springs Golf and Spa Resort	2,000	2.66%
Newton Memorial Hospital	1,200	1.59%
Selective Insurance	900	1.20%
County of Sussex	830	1.10%
Mountain Creek Resort	800	1.06%
Ames Rubber Corp	445	0.59%
Shop Rite Supermarkets(Ronetco)	301	0.40%
Andover Subacute and Rehab Center	300	0.40%
Sussex County Community College	300	0.40%
SCARC, Inc.	287	0.38%
	<u>7,363</u>	<u>9.78%</u>

<u>Employer</u>	<u>2005</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>
Selective Insurance	954	2.41%
Andover Subacute and Rehab Center	906	2.29%
County of Sussex	815	2.06%
Mountain Creek Resort	800	2.02%
Newton Memorial Hospital	757	1.91%
Ronetco Supermarkets	711	1.80%
Vernon Township Board of Education	629	1.59%
FO Phoenix Inc.	600	1.52%
Hopatcong Board of Education	450	1.14%
Walmart	380	0.96%
	<u>7,002</u>	<u>17.68%</u>

Source: County of Sussex

OGDENSBURG BOROUGH SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction										
Regular	32	28	31	32.5	24.5	23.8	22.9	23.1	23	23.5
Special Education	4	7	7	3.5	5	5	5	5	6	6
Other Special Education	1	3	4		7.5	6.5	4.5	8	8.7	9.5
Nonpublic School Programs	1									
Support Services:										
Instructional Support Staff					2.2	2.2	2.2	2.2	2.2	2.2
School Administrative Services	2	2	2	4	4	3.2	3.3	3.4	3.5	4
General and Business Administrative Services	4	3	2	3	3	3	3	3	3	3
Plant Operations and Maintenance	4	3.5	3.5	3.5	3.5	2.5	3.5	4	4	4
Total	<u>48</u>	<u>47</u>	<u>49.5</u>	<u>46.5</u>	<u>49.7</u>	<u>46.2</u>	<u>44.4</u>	<u>48.7</u>	<u>50.4</u>	<u>52.2</u>

Source: District Personnel Records

OGDENSBURG BOROUGH SCHOOL DISTRICT  
OPERATING STATISTICS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio Elementary	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
2006	345.0	\$ 4,515,680	\$ 13,088.93	16.13%	40.0	1:8.6	345.0	329.5	-8.02%	95.51%
2007	321.0	4,679,970	14,579.35	11.39%	35.5	1:9.0	321.0	308.6	-6.96%	96.14%
2008	310.0	4,940,830	15,938.16	9.32%	37.2	1:8.3	309.4	295.7	-3.61%	95.57%
2009	324.0	4,552,665	14,051.44	-11.84%	36.0	1:9.0	324.0	308.8	4.72%	95.31%
2010	312.0	4,739,175	15,189.66	8.10%	32.0	1:9.8	312.0	299.6	-3.70%	96.03%
2011	287.0	4,427,177	15,425.70	1.55%	31.0	1:9.2	286.5	273.2	-8.17%	95.36%
2012	301.2	4,516,066	14,993.58	-2.80%	30.1	1:10	301.2	286.9	5.13%	95.25%
2013	317.0	4,885,943	15,413.07	2.80%	30.3	1:10.3	312.5	295.3	3.75%	94.50%
2014	290.0	4,959,826	17,102.85	10.96%	31.2	1:9.3	289.1	272.7	-7.49%	94.33%
2015	277.0	5,110,234	18,448.50	7.87%	31.7	1:8.6	273.7	258.2	-5.33%	94.32%

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d The Cost Per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost Per Pupil may be different from other Cost Per Pupil calculations.

Source: Ogdensburg Borough School District records

OGDENSBURG BOROUGH SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>District Buildings</u>										
<u>Elementary</u>										
Ogdensburg Elementary School										
Square Feet (1927); Addition - 1967	60,050	60,050	60,050	60,050	60,050	60,050	60,050	60,050	60,050	60,050
Capacity (students)	347	347	347	347	347	347	347	347	347	347
Enrollment	345	321	310	324	312	287	304	317	290	277

Number of Schools at June 30, 2015

  Elementary = 1

Note: Year of original construction is shown in parentheses.

  Enrollment is based on the annual October district count.

Source: Ogdensburg Borough School District Facilities Office

OGDENSBURG BOROUGH SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS  
UNAUDITED

Undistributed Expenditures - Required  
Maintenance For School Facilities  
11-000-261-xxx

<u>Fiscal Year Ended</u> <u>June 30,</u>	<u>Ogdensburg</u> <u>Public School</u>
2006	\$ 63,534
2007	33,147
2008	31,794
2009	33,713
2010	36,250
2011	33,767
2012	40,314
2013	56,150
2014	37,879
2015	44,519

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

Source: Ogdensburg Borough School District records



ODGENSBURG BOROUGH SCHOOL DISTRICT  
INSURANCE SCHEDULE  
AS OF JUNE 30, 2015  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - School Alliance		
Insurance Fund:		
Building & Personal Property	\$ 250,000,000 Fund Aggregate	\$ 1,000
Inland Marine - Auto Physical Damage		
General Liability including Auto, Employee Benefits	5,000,000	
Each Occurance		
General Aggregate	50,000,000 Fund Aggregate	
Product Completed Ops		
Personal Injury		
Fire Damage	2,500,000	
Medical Expenses	10,000	
(Excluding Students Taking Part in Athletics)		
Automobile Coverage		
Combined Single Limit		
Hired/Non Owned		
Environmental Impairment Liability	1,000,000/25,000,000 Fund Aggregate	5,000
Crime Coverage	50,000 Inside/Outside	1,000
Blanket Dishonesty Bond	500,000	1,000
Boiler & Machinery	100,000,000	1,000
Excess Liability (AL/GL)	5,000,000	
School Board Legal	5,000,000/5,000,000	5,000
Excess SLPL	5,000,000/5,000,000	
Workers' Compensation	Statutory	
Employer's Liability	5,000,000	
Supplemental Indemnity	Statutory	
Bond for Business Administrator	160,000 Selective Insurance	
Bond for Treasurer of School Monies	160,000 Selective Insurance	
Student Accident	Bollinger Voluntary Coverage Only	

SINGLE AUDIT SECTION



Mount Arlington Corporate Center  
 200 Valley Road, Suite 300  
 Mt. Arlington, NJ 07856  
 973-328-1825 | 973-328-0507 Fax  
 Lawrence Business Center  
 11 Lawrence Road  
 Newton, NJ 07860  
 973-383-6699 | 973-383-6555 Fax

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

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

We have audited, in accordance with the 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), 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 Borough of Ogdensburg, in the County of Sussex (the "District") as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 23, 2015.

**Internal Control Over Financial Reporting**

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

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

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

The Honorable President and Members  
of the Board of Education  
Ogdensburg Borough School District  
Page 2

### **Compliance and Other Matters**

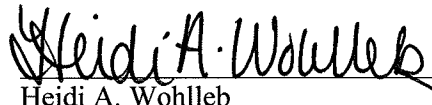
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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*.

### **Purpose of this Report**

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

November 23, 2015  
Mount Arlington, New Jersey

NISIVOCCIA LLP



Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant



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Report on Compliance For Each Major State Program;  
 Report on Internal Control Over Compliance Required by OMB Circular A-133  
 and New Jersey's OMB Circulars 04-04 and 15-08

Independent Auditors' Report

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

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

We have audited the Board of Education of the Borough of Ogdensburg's (the "District's") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/ Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2015. The District's major state programs are identified in the summary of auditors' 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.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, OMB Circular A-133 and New Jersey's OMB Circulars 04-04 and 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 state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major State Program***

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

The Honorable President and Members  
of the Board of Education  
Ogdensburg Borough School District  
Page 2

### Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJOMB 04-04 and 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 District's internal control over compliance.

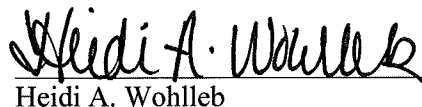
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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 that the testing based on the requirements of OMB Circular A-133 and NJOMB 04-04 and 15-08. Accordingly, this report is not suitable for any other purpose.

November 23, 2015  
Mount Arlington, New Jersey

NISIVOCIA LLP



Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

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

Federal Grantor/Pass Through Grantor Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2014			Balance at June 30, 2015	
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received	Budgetary Expenditures	Budgetary Accounts Receivable
U.S. Department of Education Passed-through State Department of Education:									
Special Revenue Fund:									
No Child Left Behind Consolidated Grant:									
Title I	84.010A	NCLB384014	7/1/13-6/30/14	\$ 34,915	\$ (4,600)		\$ 4,600		
Title I	84.010A	NCLB384015	7/1/14-6/30/15	33,262			26,762	\$ (33,262)	\$ (6,500)
Title II, Part A	84.367A	NCLB384015	7/1/14-6/30/15	11,008			11,008	(11,008)	
Special Education Cluster:									
I.D.E.A. Part B, Basic	84.027	IDEA384014	7/1/13-6/30/14	80,498	(8,000)		8,000		
I.D.E.A. Part B, Basic	84.027	IDEA384015	7/1/14-6/30/15	80,473			80,473	(80,473)	
I.D.E.A. Part B, Preschool	84.173	IDEA384015	7/1/14-6/30/15	3,384			3,384	(3,384)	
Total Special Education Cluster					(8,000)		91,857	(83,857)	
Total Special Education Fund					(12,600)		134,227	(128,127)	(6,500)
Total U.S. Department of Education					(12,600)		134,227	(128,127)	(6,500)
U.S. Department of Agriculture:									
Passed-through State Department of Agriculture:									
Child Nutrition Cluster:									
Food Distribution Program	10.555	N/A	7/1/13-6/30/14	7,012		\$ 2,105		(2,105)	
Food Distribution Program	10.555	N/A	7/1/14-6/30/15	8,508			8,508	(7,535)	\$ 973
National School Lunch Program	10.555	N/A	7/1/13-6/30/14	31,821	(1,688)		1,688		
National School Lunch Program	10.555	N/A	7/1/14-6/30/15	33,325			31,256	(33,325)	(2,069)
School Breakfast Program	10.553	N/A	7/1/13-6/30/14	4,443	(1,047)		1,047		
School Breakfast Program	10.553	N/A	7/1/14-6/30/15	2,237			2,081	(2,237)	(156)
Total Child Nutrition Cluster					(2,735)	2,105	44,580	(45,202)	(2,225) 973
Total U.S. Department of Agriculture					(2,735)	2,105	44,580	(45,202)	(2,225) 973
Total Federal Awards					\$ (15,335)	\$ 2,105	\$ 178,807	\$ (173,329)	\$ (8,725) \$ 973

N/A - Not Applicable

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

OGDENSBURG BOROUGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2014		Cash Received	Budgetary Expenditures	Balance at June 30, 2015		MEMO	
				Budgetary Accounts Receivable	Budgetary Unearned Revenue			GAAP Accounts Receivable	Budgetary Unearned Revenue	Budgetary Accounts Receivable	Cumulative Total Expenditures
New Jersey Department of Education											
General Fund:											
Special Education Categorical Aid	14-495-034-5120-089	7/1/13 - 6/30/14	\$ 161,211	\$ (16,074)		\$ 16,074					\$ 161,211
Equalization Aid	14-495-034-5120-078	7/1/13 - 6/30/14	1,364,286	(136,033)		136,033					1,364,286
Security Aid	14-495-034-5120-084	7/1/13 - 6/30/14	27,019	(2,694)		2,694					27,019
Adjustment Aid	14-495-034-5120-085	7/1/13 - 6/30/14	471,185	(46,982)		46,982					471,185
Transportation Aid	14-495-034-5120-014	7/1/13 - 6/30/14	17,314	(1,726)		1,726					17,314
School Choice Aid	14-495-034-5120-068	7/1/13 - 6/30/14	256,521	(25,578)		25,578					256,521
Additional Nonpublic Transportation Aid	14-495-034-5120-014	7/1/13 - 6/30/14	2,676	(2,676)		2,676					2,676
Special Education Categorical Aid	15-495-034-5120-089	7/1/14 - 6/30/15	161,211			145,137	\$ (161,211)			\$ (16,074)	161,211
Equalization Aid	15-495-034-5120-078	7/1/14 - 6/30/15	1,364,286			1,228,257	(1,364,286)			(136,029)	1,364,286
Security Aid	15-495-034-5120-084	7/1/14 - 6/30/15	27,019			24,325	(27,019)			(2,694)	27,019
Adjustment Aid	15-495-034-5120-085	7/1/14 - 6/30/15	471,185			424,205	(471,185)			(46,980)	471,185
Transportation Aid	15-495-034-5120-014	7/1/14 - 6/30/15	17,314			15,588	(17,314)			(1,726)	17,314
School Choice Aid	15-495-034-5120-068	7/1/14 - 6/30/15	242,655			218,461	(242,655)			(24,194)	242,655
Additional Nonpublic Transportation Aid	15-495-034-5120-014	7/1/14 - 6/30/15	2,167				(2,167)	\$ (2,167)		(2,167)	2,167
PARCC Readiness Aid	15-495-034-5120-098	7/1/14 - 6/30/15	2,840			2,557	(2,840)			(283)	2,840
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14 - 6/30/15	2,840			2,557	(2,840)			(283)	2,840
Reimbursed TPAF Social Security Contributions	15-495-034-5094-003	7/1/14 - 6/30/15	152,358			152,358	(152,358)				152,358
Total General Fund State Aid				(231,763)		2,445,208	(2,443,875)	(2,167)		(230,430)	4,744,087
Capital Projects Fund:											
School Development Authority:											
Remove Old and Install New Public Address System	3840-050-13-1001	7/1/14 - 6/30/15	25,596				(25,596)	(25,596)		(25,596)	25,596
Total Capital Projects Fund							(25,596)	(25,596)		(25,596)	25,596
Enterprise Fund:											
State School Lunch Program	15-100-010-3350-023	7/1/14 - 6/30/15	1,086			1,018	(1,086)	(68)		(68)	1,086
State School Lunch Program	14-100-010-3350-023	7/1/13 - 6/30/14	1,129	(72)		72					1,129
Total Enterprise Fund				(72)		1,090	(1,086)	(68)		(68)	2,215
Total State Awards				\$ (231,835)	\$ -0-	\$ 2,446,298	\$ (2,470,557)	\$ (27,831)	\$ -0-	\$ (256,094)	\$ 4,771,898

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS



OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards include the federal and state grant activity of the Board of Education, Ogdensburg Borough School District under programs of the federal and state governments for the fiscal year ended June 30, 2015. The information in these schedules are presented in accordance with the Federal Office of Management and Budget (OMB), *Audits of States, Local Governments and Non-Profit Organizations* and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported 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. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Such expenditures are recognized following the cost principles contained in federal OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governmental Units*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

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, special revenue and debt service funds 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 payments for the prior year and for the current budget year, which is mandated pursuant to P.L. 2003, C.97. For GAAP purposes, the current year payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$824 for the general fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Additionally, the schedule of expenditures of state awards does not include the on-behalf TPAF Pension and Post Retirement Contributions revenue of \$109,461 and \$173,768 respectively.

OGDENSBURG BOROUGH SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented below.

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 2,727,928	\$ 2,727,928
Special Revenue Fund	\$ 128,127		128,127
Capital Projects Fund		25,596	25,596
Food Service Fund	45,202	1,086	46,288
Total Awards	<u>\$ 173,329</u>	<u>\$ 2,754,610</u>	<u>\$ 2,927,939</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. FEDERAL AND STATE LOANS OUTSTANDING

Ogdensburg Borough School District had no loan balances at June 30, 2015.

NOTE 6. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2015. Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

NOTE 7. SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANTS

The District was awarded a grant in the amount of \$25,596 from the Schools Development Authority (SDA) under the Educational Facilities Construction and Financing Act to remove and install a new public address system. As of June 30, 2015, \$25,596 was expended and submitted for reimbursement.

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

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance Required by OMB Circular A-133 and New Jersey's OMB Circulars 04-04 and 15-08*.
- The auditors' report on compliance for the major state programs for the District expresses an unmodified opinion on all major state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circulars 04-04 and 15-08 or Section 510(a) of Federal OMB Circular A-133.
- The District was not subject to the single audit provisions of Federal OMB Circular A-133 for fiscal year end June 30, 2015 as federal grant expenditures were less than the single audit threshold of \$500,000 identified in the Circular.
- The District's programs tested as major state programs for the current fiscal year consisted of the following state aid:

	<u>Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>General Fund State Aid:</u>				
Special Education Categorical Aid	15-495-034-5120-089	7/1/14 - 6/30/15	\$ 161,211	\$ 161,211
Equalization Aid	15-495-034-5120-078	7/1/14 - 6/30/15	1,364,286	1,364,286
Security Aid	15-495-034-5120-084	7/1/14 - 6/30/15	27,019	27,019
Adjustment Aid	15-495-034-5120-085	7/1/14 - 6/30/15	471,185	471,185
School Choice Aid	15-495-034-5120-068	7/1/14 - 6/30/15	242,655	242,655
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14 - 6/30/15	2,840	2,840
PARCC Readiness Aid	15-495-034-5120-098	7/1/14 - 6/30/15	2,840	2,840

- The threshold used for distinguishing between Type A and Type B state programs was \$300,000.
- The District was determined to be a "low-risk" auditee for state programs.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

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

Findings and Questioned Costs for Federal Awards:

- Not Applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any finding or questioned costs for state awards as defined in section 510(a) of the federal circular and NJOMB 04-04 and 15-08.

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

Status of Prior Year Findings:

There were no prior year audit findings.