

**ROOSEVELT SCHOOL DISTRICT**

Roosevelt, New Jersey  
County of Monmouth

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



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF THE**

**ROOSEVELT SCHOOL DISTRICT**

**ROOSEVELT, NEW JERSEY**

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

**Prepared by**

**Business Office – Bernard Biesiada, Business Administrator/Board Secretary**



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**INTRODUCTORY SECTION**

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**Mary Robinson Cohen, M.A., J.D.**  
Superintendent and Principal

November 30, 2017

Honorable President and  
Members of the Board of Education  
Roosevelt School District  
County of Monmouth  
Roosevelt, NJ 08555

Dear Board Members:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, a roster of principal officials and a list of consultants and advisors. The financial section includes the district-wide and fund financial statements and schedules, as well as the auditor's report and the management's Discussion and Analysis. The statistical section includes selected financial statements and schedules as well as information generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); the New Jersey State Aid/Grant Compliance Supplement; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mary Robinson Cohen".

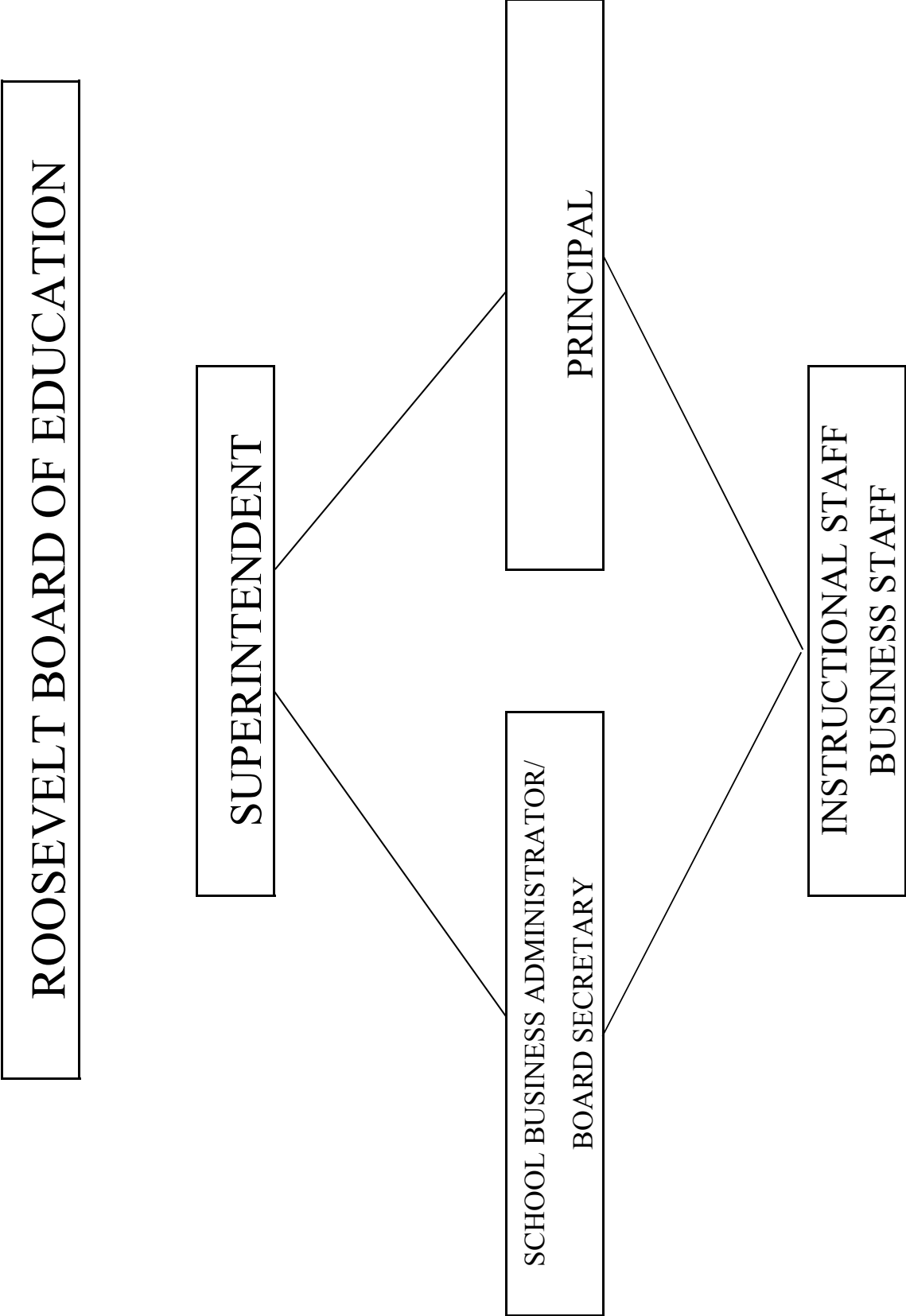
Mary Robinson Cohen  
Superintendent of Schools

A handwritten signature in cursive script that reads "Bernard Biesiada".

Bernard Biesiada  
Business Administrator/Board Secretary

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**ROOSEVELT BOARD OF EDUCATION  
ORGANIZATIONAL CHART**



**ROOSEVELT SCHOOL DISTRICT**  
**Roosevelt, New Jersey**

**ROSTER OF OFFICIALS**

**JUNE 30, 2017**

**MEMBERS OF THE BOARD OF EDUCATION**

**TERM EXPIRES**

Natalie Warner, President	2018
Kenneth LeCompte, Vice President	2017
Judith Goetzmann	2019
Leo Gordon	2018
John Petrillo	2018
Jessica Hanley	2020
Daniel Leibowitz	2020
Cornelia Spoor	2017
Assenka Oksiloff	2017

**OTHER OFFICIALS**

Mrs. Mary Robinson Cohen, Superintendent of Schools/Principal  
Bernard Biesiada, School Business Administrator/Board Secretary  
David Rubin, Solicitor

**ROOSEVELT SCHOOL DISTRICT  
ROOSEVELT, NEW JERSEY**

**CONSULTANTS AND ADVISORS**

**June 30, 2017**

**AUDITOR/AUDIT FIRM**

Rodney R. Haines  
Holman Frenia Allison, P. C.  
680 Hooper Avenue  
Building B, Suite 201  
Toms River, New Jersey 08753

**ATTORNEY**

David Rubin, P.C.  
Attorney at Law  
44 Bridge Street, P.O. Box 4579  
Metuchen, New Jersey 08840

**OFFICIAL DEPOSITORY**

TD Bank  
2059 Springdale Raod  
Cherry Hill, New Jersey 08003

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**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Roosevelt School District  
County of Monmouth  
Roosevelt, New Jersey 08555

### 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 Roosevelt School District, County of Monmouth, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental 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.

## **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 Roosevelt School District, County of Monmouth, State of New Jersey, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information and the schedules relating to accounting and reporting for pension as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our 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 Roosevelt School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, statistical section and schedule of expenditures of federal awards are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of state financial assistance, as required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules, and the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines  
Certified Public Accountant  
Public School Accountant, No. 2198

Toms River, New Jersey  
November 30, 2017

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**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

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**ROOSEVELT SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2017**  
**(Unaudited)**

As management of the Roosevelt School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund.

**Fund Financial Statements**

*Fund financial statements* are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

*Governmental funds* account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements,

**ROOSEVELT SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2017**  
**(Unaudited) (Continued)**

**Overview of the Basic Financial Statements (continued)**

**Fund Financial Statements (continued)**

the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

*Proprietary funds* are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains one type of proprietary fund – the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the government-wide financial statements, only in more detail.

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's programs.

**Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**ROOSEVELT SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2017**  
**(Unaudited) (Continued)**

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

Table 1 provides a summary of the School Districts net position for the fiscal years 2017 compared to fiscal year 2016.

**Table 1**  
**Summary of Net Position**

	June 30, <u>2017</u>	June 30, <u>2016</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 993,266	\$ 967,455	\$ 25,811	2.7%
Capital Assets, Net	1,661,546	1,597,949	63,597	4.0%
Total Assets	<u>2,654,812</u>	<u>2,565,404</u>	89,408	3.5%
Deferred Outflow of Resources	<u>168,672</u>	<u>72,815</u>	95,857	131.6%
Current and other Liabilities	133,952	121,011	12,941	10.7%
Noncurrent Liabilities	<u>930,215</u>	<u>841,568</u>	88,647	10.5%
Total Liabilities	<u>1,064,167</u>	<u>962,579</u>	101,588	10.6%
Deferred Inflow of Resources	<u>22,949</u>	<u>35,328</u>	(12,379)	-35.0%
Net Position:				
Net Investment in Capital Assets	1,227,472	1,051,928	175,544	16.7%
Restricted	725,687	581,396	144,291	24.8%
Unrestricted (Deficit)	<u>(216,791)</u>	<u>6,988</u>	<u>(223,779)</u>	-3202.3%
Total Net Position	<u>\$ 1,736,368</u>	<u>\$ 1,640,312</u>	<u>\$ 96,056</u>	5.9%

**ROOSEVELT SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2017**  
**(Unaudited) (Continued)**

**Financial Analysis of the School District as a Whole (continued)**

Table 2 shows the changes in net position for fiscal year 2017 compared to fiscal year 2016.

**Table 2**  
**Summary of Changes in Net Position**

	June 30, <u>2017</u>	June 30, <u>2016</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
<b>Revenues:</b>				
Program Revenues:				
Charges for Services	\$ 72,205	\$ 52,865	\$ 19,340	36.6%
Operating Grants & Contributions	275,793	234,640	41,153	17.5%
General Revenues:				
Property Taxes	1,577,451	1,612,369	(34,918)	-2.2%
Federal & State Aid	991,008	986,579	4,429	0.4%
Other General Revenues	1,352	8,807	(7,455)	-84.6%
Total Revenues	<u>2,917,809</u>	<u>2,895,260</u>	<u>22,549</u>	<u>0.8%</u>
<b>Function/Program Expenditures:</b>				
Regular Instruction	830,518	809,720	20,798	2.6%
Special Education Instruction	116,633	108,650	7,983	7.3%
Other Instruction	10,743	7,823	2,920	37.3%
Tuition	534,788	541,371	(6,583)	-1.2%
Student & Instruction Related Services	267,342	245,459	21,883	8.9%
General Administrative	82,808	74,228	8,580	11.6%
School Administrative Services	15,918	17,930	(2,012)	-11.2%
Central Services	60,069	72,813	(12,744)	-17.5%
Administrative Info. Technology	255	150	105	70.0%
Plant Operations & Maintenance	169,162	166,673	2,489	1.5%
Pupil Transportation	147,068	139,300	7,768	5.6%
Unallocated Benefits	276,972	226,965	50,007	22.0%
On Behalf TPAF Pension and Social				
Security Contributions	214,329	176,718	37,611	21.3%
Interest & Other Charges	9,383	9,344	39	0.4%
Loss on Disposal of Assets	5,167	-	5,167	100.0%
Unallocated Depreciation	78,731	67,204	11,527	17.2%
Food Service	1,867	2,015	(148)	-7.3%
Total Expenditures	<u>2,821,753</u>	<u>2,666,363</u>	<u>155,390</u>	<u>5.8%</u>
Change In Net Position	96,056	228,897	(132,841)	-58.0%
Net Position - Beginning	<u>1,640,312</u>	<u>1,411,415</u>	<u>228,897</u>	<u>16.2%</u>
Net Position - Ending	<u>\$ 1,736,368</u>	<u>\$ 1,640,312</u>	<u>\$ 96,056</u>	<u>5.9%</u>

**Governmental Activities**

During the fiscal year 2017, the net position of governmental activities increased by \$96,056 or 5.9%. The primary reason for the increase was related to increased revenues, declining enrollment and stabilized expenses.

**ROOSEVELT SCHOOL DISTRICT  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017  
(Unaudited) (Continued)**

**Governmental Activities (continued)**

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$1,736,368, with an unrestricted deficit balance of \$(216,791). The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

The School District's governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

**Table 3  
GASB 68 Effect on Unrestricted Net Position**

Unrestricted Net Position (With GASB 68)	\$	(216,791)
Add back: PERS Pension Liability		528,361
Less: Deferred Outflows related to pensions		(168,672)
Add back: Deferred Inflows related to pensions		22,949
Unrestricted Net Position (Without GASB 68)	<u>\$</u>	165,847

**Business-type Activities**

During the fiscal year 2017, the net position of business-type activities increased by \$-0- or -0-%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$-0-.

**General Fund Budgeting Highlights**

Final budgeted revenues was \$2,565,916, which was equal to the original budget. Excluding nonbudgeted revenues, the School District's actual revenues exceeded budgeted revenues by \$20,987.

Final budgeted appropriations was \$2,802,149, which was an increase of \$101,629 from the original budget. The increase is primarily due to prior year reserve for encumbrances, which increase the budget appropriations in the subsequent fiscal year's budget. Excluding nonbudgeted expenditures, the School District's budget appropriations exceeded actual expenditures by \$236,178.

The School District's general fund balance – budgetary basis (Exhibit C-1) was \$953,146 at June 30, 2017, an increase of \$20,421 from the prior year.

**ROOSEVELT SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2017**  
**(Unaudited) (Continued)**

**Governmental Funds**

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$920,765, an increase of \$19,320 from the prior year.

*General fund* - During the current fiscal year, the fund balance of the School District's general fund increased by \$19,320 or 2.31% to \$854,097 at June 30, 2017, compared to an increase of \$255,789 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the general fund is as follows:

- Increased and unanticipated revenues.
- Decreased enrollment and out of district tuition expense.

*Special revenue fund* – There was no change in the fund balance for the special revenue fund.

*Capital projects fund* - During the current fiscal year, the fund balance of the School District's capital projects did not change from June 30, 2017, compared to the fund balance in the prior fiscal year. There was no activity in this fund during the year ended June 30, 2017.

*Debt service fund* - During the current fiscal year, the fund balance of the School District's debt service fund did not change from June 30, 2017, compared to the fund balance in the prior fiscal year.

**Proprietary Funds**

*Food service fund* - During the current fiscal year, the net position of the School District's food service fund did not change from June 30, 2017, compared to the fund balance in the prior fiscal year.

**Capital Assets**

The School District's capital assets for its governmental and business-type activities as of June 30, 2017, totaled \$1,597,949 (net of accumulated depreciation). Capital assets includes land, land improvements, buildings and improvements and equipment. The school districts "Net Investment in Capital Assets" component of net position represents capital assets, net of accumulated depreciation less any outstanding debt associated with the capital assets. There was a net increase in the School District's investment in capital assets for the current fiscal year in the amount of \$175,544. This increase is primarily due to the current year additions to capital assets exceeding the depreciation of capital assets and the pay down of debt or current year construction. Table 4 shows fiscal 2017 balances compared to 2016.

**ROOSEVELT SCHOOL DISTRICT  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017  
(Unaudited) (Continued)**

**Table 4  
Summary of Capital Assets**

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2017</u>	June 30, <u>2016</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 57,843	\$ 57,843	\$ -	0.0%
Site Improvements	137,749	98,583	39,166	39.7%
Building and Improvements	1,420,702	1,413,173	7,529	0.5%
Equipment	45,252	28,350	16,902	59.6%
	<u>\$ 1,661,546</u>	<u>\$ 1,597,949</u>	<u>\$ 63,597</u>	4.0%

Depreciation expense for the year was \$78,731. Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

**Debt Administration**

**Long-term debt** – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$431,000, which is a decrease of \$45,000 from the prior year.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

**Factors on the School District's Future**

The Roosevelt Public School just completed a long term strategic planning process and will focus budgeting on meeting the goals set by the community over the next five years.

**Contacting the School Districts Financial Management**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Mr. Bernard S. Biesiada, School Business Administrator/Board Secretary at Roosevelt Board of Education, School Lane, PO Box 160, Roosevelt, NJ 08555.

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**BASIC FINANCIAL STATEMENTS**

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A. Government-Wide Financial Statements

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**ROOSEVELT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

	Governmental <u>Activities</u>	Business -Type <u>Activities</u>	<u>Totals</u>
Assets:			
Cash & Cash Equivalents	\$ 61,394	\$ -	\$ 61,394
Receivables, Net (Note 4)	386,193	-	386,193
Restricted Cash & Cash Equivalents	545,679	-	545,679
Capital Assets, Net (Note 5)			
Non-depreciable	57,843	-	57,843
Depreciable	1,603,703	-	1,603,703
<b>Total Assets</b>	<b>2,654,812</b>	<b>-</b>	<b>2,654,812</b>
Deferred Outflows of Resources:			
Related to Pensions (Note 8)	168,672	-	168,672
<b>Total Deferred Outflow of Resources</b>	<b>168,672</b>	<b>-</b>	<b>168,672</b>
<b>Total Assets and Deferred Outflow of Resources</b>	<b>2,823,484</b>	<b>-</b>	<b>2,823,484</b>
Liabilities:			
Cash Deficit	-	511	511
Accounts Payable	68,800	-	68,800
Due to Other Governments	9,653	-	9,653
Accrued Interest Payable	3,724	-	3,724
Unearned Revenue	3,190	-	3,190
Internal Balances	511	(511)	-
Long-Term Obligations (Note 7):			
Due Within One Year	48,074	-	48,074
Due Beyond One Year	930,215	-	930,215
<b>Total Liabilities</b>	<b>1,064,167</b>	<b>-</b>	<b>1,064,167</b>
Deferred Inflows of Resources:			
Related to Pensions (Note 8)	22,949	-	22,949
<b>Total Deferred Inflow of Resources</b>	<b>22,949</b>	<b>-</b>	<b>22,949</b>
<b>Total Liabilities and Deferred Inflow of Resources</b>	<b>1,087,116</b>	<b>-</b>	<b>1,087,116</b>
Net Position:			
Net Investment in Capital Assets	1,227,472	-	1,227,472
Restricted for:			
Debt Service	5,591	-	5,591
Capital Projects	462,104	-	462,104
Maintenance Reserve	32,565	-	32,565
Tuition Reserve	112,087	-	112,087
Excess Surplus	113,340	-	113,340
Unrestricted	(216,791)	-	(216,791)
<b>Total Net Position</b>	<b>\$ 1,736,368</b>	<b>\$ -</b>	<b>\$ 1,736,368</b>

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

**ROOSEVELT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
<b>GOVERNMENTAL ACTIVITIES</b>						
Instruction:						
Regular	\$ 830,518	\$ 61,845	\$ 61,464	\$ (707,209)	\$ -	\$ (707,209)
Special Education	116,633	-	-	(116,633)	-	(116,633)
Other Instruction	10,743	-	-	(10,743)	-	(10,743)
Support Services:						
Tuition	534,788	-	-	(534,788)	-	(534,788)
Student and Instruction Related Services	267,342	-	-	(267,342)	-	(267,342)
General Administrative Services	82,808	-	-	(82,808)	-	(82,808)
School Administrative Services	15,918	-	-	(15,918)	-	(15,918)
Central Services	60,069	-	-	(60,069)	-	(60,069)
Administrative Information Technology	255	-	-	(255)	-	(255)
Plant Operations and Maintenance	169,162	-	-	(169,162)	-	(169,162)
Pupil Transportation	147,068	9,004	-	(138,064)	-	(138,064)
Employee Benefits	491,301	-	214,329	(276,972)	-	(276,972)
Long-Term Debt Expense	9,383	-	-	(9,383)	-	(9,383)
Loss on Disposal of Assets	5,167	-	-	(5,167)	-	(5,167)
Unallocated/Depreciation	78,731	-	-	(78,731)	-	(78,731)
<b>Total Government Activities</b>	<b>2,819,886</b>	<b>70,849</b>	<b>275,793</b>	<b>(2,473,244)</b>	<b>-</b>	<b>(2,473,244)</b>
<b>BUSINESS-TYPE ACTIVITIES</b>						
Food Service	1,867	1,356	-	-	(511)	(511)
<b>Total Business-Type Activities</b>	<b>1,867</b>	<b>1,356</b>	<b>-</b>	<b>-</b>	<b>(511)</b>	<b>(511)</b>
<b>Total Primary Government</b>	<b>\$ 2,821,753</b>	<b>\$ 72,205</b>	<b>\$ 275,793</b>	<b>\$ (2,473,244)</b>	<b>\$ (511)</b>	<b>\$ (2,473,755)</b>
<b>GENERAL REVENUES</b>						
Property Taxes Levied for:						
General Purposes				\$ 1,523,503	\$ -	\$ 1,523,503
Debt Service				53,948	-	53,948
Transfers (to)/from Other Funds				(511)	511	-
Federal and State Aid Not Restricted				991,008	-	991,008
Miscellaneous Income				1,352	-	1,352
<b>Total General Revenues</b>				<b>2,569,300</b>	<b>511</b>	<b>2,569,811</b>
Change in Net Position				96,056	-	96,056
Net Position - Beginning				1,640,312	-	1,640,312
Net Position - Ending				\$ 1,736,368	\$ -	\$ 1,736,368

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

## B. Fund Financial Statements

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## Governmental Funds

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**ROOSEVELT SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2017**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Totals
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 281,693	\$ 26,248	\$ -	\$ 5,361	\$ 313,302
Receivables, Net					
Due From Other Funds	56,671	-	-	230	56,901
Due From Other Governments:					
Federal	-	24,021	-	-	24,021
State	3,809	-	335,427	-	339,236
Other	12,347	-	-	-	12,347
Restricted Cash & Cash Equivalents	545,679	-	-	-	545,679
<b>Total Assets</b>	<b>900,199</b>	<b>50,269</b>	<b>335,427</b>	<b>5,591</b>	<b>1,291,486</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Cash Deficit	-	-	251,908	-	251,908
Due to Other Funds	511	23,870	22,442	-	46,823
Accounts Payable	45,591	23,209	-	-	68,800
Unearned Revenue	-	3,190	-	-	3,190
<b>Total Liabilities</b>	<b>46,102</b>	<b>50,269</b>	<b>274,350</b>	<b>-</b>	<b>370,721</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Excess Surplus	55,273	-	-	-	55,273
Excess Surplus Designated for Subsequent Year's Expenditures	58,067	-	-	-	58,067
Capital Reserve	401,027	-	-	-	401,027
Maintenance Reserve	32,565	-	-	-	32,565
Tuition Reserve	112,087	-	-	-	112,087
Debt Service	-	-	-	5,591	5,591
Capital Projects Fund	-	-	61,077	-	61,077
<b>Assigned:</b>					
Other Purposes	42,735	-	-	-	42,735
Designated for Subsequent Year's Expenditures	696	-	-	-	696
Unassigned	151,647	-	-	-	151,647
<b>Total Fund Balances</b>	<b>854,097</b>	<b>-</b>	<b>61,077</b>	<b>5,591</b>	<b>920,765</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 900,199</b>	<b>\$ 50,269</b>	<b>\$ 335,427</b>	<b>\$ 5,591</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of the assets is \$2,847,484 and the accumulated depreciation is \$1,185,938 (Note 5).	\$ 1,661,546
Deferred outflows and inflows of resources related to pensions and deferred charges and/or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.	145,723
Accrued pension contributions for the June 30, 2017 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(9,653)
Long-term liabilities, including net pension liability, bonds payable, compensated absences payable, bond premium, other post employment benefits and capital leases payable are not due and payable in the current period and, therefore, are not reported as a liability in the funds.	(978,289)
Accrued interest payable is not recorded in the fund financial statements due to the fact that the payables are not due in the period.	(3,724)
<b>Net Position of Governmental Activities</b>	<b>\$ 1,736,368</b>

**ROOSEVELT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	General <u>Fund</u>	Special Revenue <u>Fund</u>	Capital Projects <u>Fund</u>	Debt Service <u>Fund</u>	Total Governmental <u>Funds</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 1,523,503	\$ -	\$ -	\$ 53,948	\$ 1,577,451
Tuition - Individuals	61,845	-	-	-	61,845
Tuition - from Other LEAs	9,004	-	-	-	9,004
Miscellaneous	442	910	-	-	1,352
Total - Local Sources	1,594,794	910	-	53,948	1,649,652
State Sources	1,205,337	-	-	-	1,205,337
Federal Sources	-	61,464	-	-	61,464
Total Revenues	2,800,131	62,374	-	53,948	2,916,453
Expenditures:					
Current:					
Regular Instruction	779,674	50,844	-	-	830,518
Special Education Instruction	116,633	-	-	-	116,633
Other Special Instruction	-	-	-	-	-
Other Instruction	10,743	-	-	-	10,743
Support Services and Undistributed Costs:					
Tuition	534,788	-	-	-	534,788
Student and Instruction Related Services	266,061	1,281	-	-	267,342
General Administration	82,808	-	-	-	82,808
School Administrative Services	15,918	-	-	-	15,918
Central Services	60,069	-	-	-	60,069
Administrative Information Technology	255	-	-	-	255
Plant Operations and Maintenance	175,032	-	-	-	175,032
Pupil Transportation	147,068	-	-	-	147,068
Employee Benefits	442,914	10,249	-	-	453,163
Debt Service:					
Principal	-	-	-	45,000	45,000
Interest and Other Charges	842	-	-	8,948	9,790
Capital Outlay	147,495	-	-	-	147,495
Total Expenditures	2,780,300	62,374	-	53,948	2,896,622
Other Financing Sources/(Uses):					
Transfer To Food Services - Board Contribution	(511)	-	-	-	(511)
Total Other Financing Sources/(Uses)	(511)	-	-	-	(511)
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	19,320	-	-	-	19,320
Fund Balance - July 1	834,777	-	61,077	5,591	901,445
Fund Balance - June 30	\$ 854,097	\$ -	\$ 61,077	\$ 5,591	\$ 920,765

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

**ROOSEVELT SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Total Net Change in Fund Balances - Governmental Funds (from B-2) 19,320

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

Capital outlays are reported in governmental funds as expenditures. However, on the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.

Depreciation Expense	(78,731)	
Deletions	(5,167)	
Capital Outlay	147,495	
	147,495	63,597

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

PERS Contribution - 2016	14,793	
Pension Expense	(48,666)	
	(48,666)	(33,873)

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

Current Year	(25,507)	
Prior Year	21,242	
	(4,265)	(4,265)

Repayment of bond 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. 45,000

Repayment of capital leases 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. 5,870

In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest over the previous year is an increase in the reconciliation.

Current Year	(3,724)	
Prior Year	4,131	
	407	407

Change in Net Position of Governmental Activities 96,056

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## Proprietary Funds

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**ROOSEVELT SCHOOL DISTRICT**  
**STATEMENT OF FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2017**

	<u>Business-Type Activities - Enterprise Funds</u>
Assets:	
Current Assets:	
Interfund Receivable	\$ 511
Total Assets	<u>\$ 511</u>
Liabilities:	
Current Liabilities:	
Cash Deficit	\$ 511
Total Liabilities	<u>\$ 511</u>
Net Position:	
Unrestricted	\$ -
Total Net Position	<u>\$ -</u>

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

**ROOSEVELT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-Type Activities - <u>Enterprise Funds</u> <u>Food Service</u>
Operating Revenues:	
Charges for Services:	
Daily Sales - Non-Reimbursable Programs	\$ 1,356
Total Operating Revenues	<u>1,356</u>
Operating Expenses:	
Cost of Sales	<u>1,867</u>
Total Operating Expenses	<u>1,867</u>
Operating Loss	(511)
Nonoperating Revenues:	
Other Sources/(Uses):	
Board Contribution	<u>511</u>
Total Nonoperating Revenues	<u>511</u>
Change in Net Position	-
Total Net Position - Beginning	<u>-</u>
Total Net Position - Ending	<u><u>\$ -</u></u>

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

**ROOSEVELT SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-Type Activities - <u>Enterprise Funds</u> <u>Food Service</u>
Cash Flows From Operating Activities:	
Receipts From Customers	\$ 1,356
Payments To Suppliers	<u>(1,867)</u>
Net Cash Used For Operating Activities	<u>(511)</u>
Cash Flows From Noncapital Financing Activities:	
Transfer from General Fund	(511)
Board Contribution	<u>511</u>
Net Cash Provided By Noncapital Financing Activities	<u>-</u>
Net Decrease in Cash and Cash Equivalents	(511)
Balance - Beginning of Year	<u>-</u>
Balance - End of Year	<u><u>\$ (511)</u></u>
Reconciliation of Operating Loss To Net Cash Used for Operating Activities:	
Operating (Loss)	\$ (511)
Adjustments to Reconcile Operating Loss to Cash Provided/(Used) by Operating Activities:	
Increase/(Decrease) in Accounts Payable	<u>-</u>
Net Cash Used for Operating Activities	<u><u>\$ (511)</u></u>

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

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Fiduciary Fund

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**ROOSEVELT SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2017**

	Agency Fund	June 30, 2017
Assets:		
Cash and Cash Equivalents	\$ 21,478	\$ 21,478
Total Assets	<u>\$ 21,478</u>	<u>\$ 21,478</u>
Liabilities:		
Payable To Student Groups	\$ 10,788	\$ 10,788
Payroll Deductions and Withholdings	-	-
Interfunds Payable	10,589	10,589
Reserve for Flexible Spending	101	101
Total Liabilities	<u>21,478</u>	<u>21,478</u>
Total Liabilities and Net Position	<u>\$ 21,478</u>	<u>\$ 21,478</u>

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

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**ROOSEVELT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2017**

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**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017**

**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

The financial statements of the Roosevelt School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

**Reporting Entity**

The Roosevelt School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels PreK through 6. These include regular, vocational, as well as special education for handicapped youngsters. The Roosevelt School District has an approximate enrollment at June 30, 2017 of 93 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Component Units**

GASB Statement No.14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*. The School District had no component units as of for the year ended June 30, 2017.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Basis of Accounting, Measurement Focus and Financial Statement Presentation**

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**A. Government-Wide Financial Statements**

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

**B. Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**B. Governmental Fund Financial Statements (continued)**

fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The School District reports the following major governmental funds:

**General Fund** - The general fund is the general operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay sub-fund.

As required by the New Jersey Department of Education the School District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**B. Governmental Fund Financial Statements (continued)**

**Special Revenue Fund** - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are 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 expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

**Debt Service Fund** - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

**C. Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

**Food Service Fund** – The food service fund accounts for the financial transactions related to the food service operations of the School District.

**D. Fiduciary Fund Financial Statements**

Fiduciary fund financial statements include a Statement of Net Position. The School District’s fiduciary funds include only Agency Funds. Agency Funds are used to account for and report assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, and other governments. Agency Funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**D. Fiduciary Fund Financial Statements (continued)**

The School District reports the following fiduciary funds:

**Agency Funds** - Agency funds (payroll and student activity funds) are assets held by a governmental entity either as trustee or as an agent for other parties and cannot be used to finance the governmental entities own operating programs.

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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

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

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**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 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 School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or 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.

**Cash, Cash Equivalents and Investments**

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

*N.J.S.A.17:9-41 et. Seq.* establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents



**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Tuition Receivable/Payable**

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

**Inventories**

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

**Interfund Receivables/Payables**

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

**Capital Assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Compensated Absences**

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

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

**Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the School District is eligible to realize the revenue.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. 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 proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Interfund Activity (continued)**

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

**Deferred Outflows and Deferred Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

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

**Fund Balance**

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Fund Balance (continued)**

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

**Net Position**

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

- Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – This component of net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Impact of Recently Issued Accounting Principles**

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2017:

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The adoption of this Statement had no impact on the School District's financial statements

Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose information about those agreements. The adoption of this Statement had no impact on the School District's financial statements.

Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The adoption of this Statement had no impact on the School District's financial statements.

Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. The adoption of this Statement had no impact on the School District's financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions*. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agency Employers and Agent Multi-Employer Plans*, for OPEB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB Plans. This Statement will be effective for the year ended June 30, 2018. Management has not yet determined the potential impact on the School District's financial statements.

**ROOSEVELT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Impact of Recently Issued Accounting Principles (continued)**

Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. This Statement will be effective for the year ended June 30, 2018. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement will be effective for the year ended June 30, 2018. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, 68 and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement will be effective for the year ended June 30, 2018. Management has not yet determined the potential impact on the School District's financial statements.

Statement No. 83, *Certain Asset Retirement Obligations*. An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset. Statement No. 83 establishes guidance for determining the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to such obligations. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 84, *Fiduciary Activities*. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement No. 84 is effective for reporting periods beginning after December 15, 2018. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 85, *Omnibus 2017*. This Statement provides guidance that addresses several different accounting and financial reporting issues identified during the implementation and application of other GASB pronouncements. The guidance in Statement No. 85 is effective for periods beginning after June 15, 2017. Management does not expect this Statement to have a material impact on the School District's financial statements.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 1. Summary of Significant Accounting Policies (continued)**

**Impact of Recently Issued Accounting Principles (continued)**

Statement No. 86, *Accounting for Certain Debt Extinguishment*. Statement No. 86 provides guidance for transactions in which cash and other monetary assets acquired with only existing resources, that is, resources other than the proceeds of refunding debt, are placed in an irrevocable trust for the sole purpose of extinguishing debt. Statement No. 86 is effective for reporting periods beginning after June 15, 2017. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 87, *Leases*. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after December 15, 2019. Management does not expect this Statement to have a material impact on the School District's financial statements.

**Note 2. Deposits and Investments**

**Deposits**

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2017, the School District's bank balance of \$637,663 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	614,066
Uninsured and Uncollateralized		23,697
		637,663

**Investments**

The School District had no investments at June 30, 2017.

**Note 3. Reserve Accounts**

**Capital Reserve**

A capital reserve account was established by the 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.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 3. Reserve Accounts**

**Capital Reserve**

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School 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 (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School 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 *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2016 to June 30, 2017 fiscal year is as follows:

Beginning Balance, July 1, 2016	\$	301,027
Increased by:		
Deposits approved by Board		100,000
Ending Balance, June 30, 2017	\$	401,027

**Maintenance Reserve**

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account 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. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The activity of the maintenance reserve for the July 1, 2016 to June 30, 2017 fiscal year is as follows:

Beginning Balance, July 1, 2016	\$	32,565
Increased by:		
Interest Earnings		-
		32,565
Ending Balance, June 30, 2017	\$	32,565



**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 3. Reserve Accounts (continued)**

**Tuition Reserve**

A tuition reserve account may be established in accordance with *N.J.A.C.6A:23-3.1(f)* for tuition between two Boards of Education that are in a formal sending/receiving relationship. The maximum amount that may be restricted at year end is 10% of the estimated contract year. Upon certification of tuition rates in the second year following the contract year, full appropriation of the applicable year's reserve must be liquidated and any remaining balance related to that year must be reserved and budgeted for tax relief.

The District deposited \$54,137 into a tuition reserve account during June 2016 pursuant to a Board resolution for use in the 2017/2018 School budget to finance unanticipated tuition expenditures. The District then added \$57,950 in 2017 for use in the 2018/2019 School budget. The tuition reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the tuition reserve for the July 1, 2016 to June 30, 2017 fiscal year is as follows:

Beginning Balance, July 1, 2016	\$	54,137
Increased by:		
Deposits approved by Board		57,950
Ending Balance, June 30, 2017	\$	112,087

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2017 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2017, consisted of the following:

<u>Description</u>	Governmental Funds			Total Governmental Activities
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	
Federal Awards	\$ -	\$ 24,021	\$ -	\$ 24,021
State Awards	3,809	-	335,427	339,236
Intergovernmental	12,347	-	-	12,347
Other	10,589	-	-	10,589
Total	\$ 26,745	\$ 24,021	\$ 335,427	\$ 386,193

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2017 was as follows:

	<b>Balance July 1, <u>2016</u></b>	<b><u>Additions</u></b>	<b><u>Retirements and Transfers</u></b>	<b>Balance June 30, <u>2017</u></b>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 57,843	\$ -	\$ -	\$ 57,843
Total Capital Assets not being depreciated	<u>57,843</u>	<u>-</u>	<u>-</u>	<u>57,843</u>
Capital Assets being depreciated:				
Site improvements	154,166	46,120	-	200,286
Buildings and improvements	2,143,795	69,015	-	2,212,810
Machinery and Equipment	375,186	32,360	(31,001)	376,545
Total Capital Assets being depreciated	<u>2,673,147</u>	<u>147,495</u>	<u>(31,001)</u>	<u>2,789,641</u>
Less: Accumulated Depreciation:				
Site improvements	(55,583)	(6,954)	-	(62,537)
Buildings and improvements	(730,622)	(61,486)	-	(792,108)
Machinery and Equipment	(346,836)	(10,291)	25,834	(331,293)
Total Accumulated Depreciation	<u>(1,133,041)</u>	<u>(78,731)</u>	<u>25,834</u>	<u>(1,185,938)</u>
Total Capital Assets being depreciated, net	<u>1,540,106</u>	<u>68,764</u>	<u>(5,167)</u>	<u>1,603,703</u>
Total Governmental Activities Capital Assets, net	<u>\$ 1,597,949</u>	<u>\$ 68,764</u>	<u>\$ (5,167)</u>	<u>\$ 1,661,546</u>

Depreciation expense was not allocated among the various functions/programs of the School District.

**Note 6. Interfund Receivables, Payables and Transfers**

Individual fund receivables/payables balances at June 30, 2017 are as follows:

<b><u>Fund</u></b>	<b><u>Interfund Receivables</u></b>	<b><u>Interfund Payables</u></b>
General Fund	\$ 56,671	\$ 511
Special Revenue Fund	-	23,870
Capital Projects Fund	-	22,442
Debt Service Fund	230	-
Food Service Fund	511	-
Payroll Agency Fund	-	10,589
	<u>\$ 57,412</u>	<u>\$ 57,412</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 6. Interfund Receivables, Payables and Transfers (continued)**

A summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 511
Food Service Fund	511	-
	<u>511</u>	<u>-</u>
	<u>\$ 511</u>	<u>\$ 511</u>

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2017 the following changes occurred in long-term obligations for the governmental and business-type activities:

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2017</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 476,000	\$ -	\$ 45,000	431,000	\$ 45,000
Capital Leases	8,944	-	5,870	3,074	3,074
Compensated Absences	21,242	4,265	-	25,507	-
Net Pension Liability	386,252	132,456	-	518,708	-
	<u>\$ 892,438</u>	<u>\$ 136,721</u>	<u>\$ 50,870</u>	<u>\$ 978,289</u>	<u>\$ 48,074</u>

**Bonds Payable**

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

On June 1, 2015, the School District issued \$506,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates of 1.88% and mature on January 15, 2025.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 45,000	\$ 7,680	\$ 52,680
2019	50,000	6,787	56,787
2020	50,000	5,847	55,847
2021	55,000	4,860	59,860
2022	55,000	3,826	58,826
2023-2027	<u>176,000</u>	<u>5,038</u>	<u>181,038</u>
	<u>\$ 431,000</u>	<u>\$ 34,038</u>	<u>\$ 465,038</u>

**Bonds Authorized But Not Issued**

As of June 30, 2017, the District had no authorized but not issued bonds.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 7. Long-Term Obligations (continued)**

**Capital Leases**

The District is obligated under certain leases accounted for as capital leases. Assets under capital leases total \$3,130. The following is a schedule of future minimum lease payments under capital leases as of June 30, 2017:

<b>Fiscal Year Ending</b>	
<b><u>June 30,</u></b>	
2018	\$ 3,130
Total Minimum Lease Payments	3,130
Less: Amount Representing Interest	(56)
Present Value of Lease Payments	<u>\$ 3,074</u>

**Note 8. Pension Plans**

**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 PERS, please refer to 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).

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 tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 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 member 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 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. 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 includes 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 2016, the State's pension contribution was less than the actuarial determined amount.

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.

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2017, the School District reported a liability of \$518,708 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2015, to the measurement date of June 30, 2016. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2016. The School District's proportion measured as of June 30, 2016, was .00175% which was an increase of .00003% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the School District recognized full accrual pension expense of \$49,431 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2016 measurement date. At June 30, 2017 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 9,646	\$ -
Changes of Assumptions	107,449	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	19,779	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	22,145	22,949
School District contributions subsequent to measurement date	9,653	
	<b>\$ 168,672</b>	<b>\$ 22,949</b>

\$9,653 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is due April 1, 2018 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	
2018	\$ 30,508
2019	30,508
2020	35,820
2021	29,034
2022	10,201
	<b>\$ 136,071</b>

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
 Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
 Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	5.00	-
June 30, 2015	5.00	-
June 30, 2016	5.00	-

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.57, 5.72 and 6.44 years for the 2016, 2015, and 2014 amounts, respectively.

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

Inflation Rate	3.08%
Salary Increases:	
Through 2026	1.65% - 4.15% Based on Age
Thereafter	2.65% - 5.15% Based on Age
 Investment Rate of Return	 7.65%

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scales. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment grade credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%



**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

**Discount Rate** - The discount rate used to measure the total pension liability was 3.98% as of June 30, 2016. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District's proportionate share of the net pension liability as of June 30, 2016, calculated using the discount rate of 3.98% as well as what the School 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:

	<b>At 1% Decrease <u>(2.98%)</u></b>	<b>At Current Discount Rate <u>(3.98%)</u></b>	<b>At 1% Increase <u>(4.98%)</u></b>
School District's Proportionate Share of the Net Pension Liability	<u>\$ 635,616</u>	<u>\$ 518,708</u>	<u>\$ 422,190</u>

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2017 and 2016:

	<u>6/30/2017</u>	<u>6/30/2016</u>
Collective Deferred Outflows of Resources	\$ 7,815,204,785	\$ 2,946,265,815
Collective Deferred Inflows of Resources	\$ -	\$ 360,920,604
Collective Net Pension Liability	\$ 29,617,131,759	\$ 22,447,996,119
School District's portion	0.00175%	0.00172%

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

**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. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions/annrprts.shtml](http://www.state.nj.us/treasury/pensions/annrprts.shtml).

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:

<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 tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Contributions** - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.2% in State fiscal year 2017. The State's pension contribution is based on an actuarially determined amount which includes 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 2016, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, 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, the School District is 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 School District does not contribute directly to the

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

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.

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2016 was \$4,888,561. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2016, the State proportionate share of the TPAF net pension liability attributable to the School District was .00621% which was a decrease of .00005% from its proportion measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the State of New Jersey recognized a pension expense in the amount of \$367,307 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2016 measurement date.

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

Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
 Investment Rate of Return	 7.65%

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

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

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) 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. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

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

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

**Discount Rate** - The discount rate used to measure the total pension liability was 3.22% as of June 30, 2016. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 30% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2029. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2029, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 3.22% as well as what the State's proportionate share of the net pension liability, attributable to the School District's 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:

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

	<b>At 1% Decrease <u>(2.22%)</u></b>	<b>At Current Discount Rate <u>(3.22%)</u></b>	<b>At 1% Increase <u>(4.22%)</u></b>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>\$ 5,838,034</u>	<u>\$ 4,888,561</u>	<u>\$ 4,113,194</u>
	<u><u>\$ 5,838,034</u></u>	<u><u>\$ 4,888,561</u></u>	<u><u>\$ 4,113,194</u></u>

**Pension Plan Fiduciary Net Position** - 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 Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**C. Defined Contribution Plan (DCRP)**

**Plan Description** - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2017 is \$8,300 and is subject to adjustment in future years.

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 8. Pension Plans (continued)**

- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees

**Contributions** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2017, employee contributions totaled \$3,980, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$2,171.

**Note 9. State Post-Retirement Medical Benefits**

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2016, there were 110,512 retirees receiving post-retirement medical benefits, and the State contributed \$1.37 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (APB) who retired from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SEHBP. That report may be obtained from the Treasury website at: <http://www.nj.gov/treasury/pensions/pdf/financial/2015divisioncombined.pdf>

**Note 10. On-Behalf Payments for Fringe Benefits and Salaries**

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 10. On-Behalf Payments for Fringe Benefits and Salaries (continued)**

statements. For the fiscal year ended June 30, 2017, the on-behalf payments for normal costs, post-retirement medical costs, and long-term disability were \$82,122, \$68,426 and \$156, respectively.

**Note 11. Risk Management**

The School 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.

**New Jersey Unemployment Compensation Insurance** – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”.

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

**Note 12. Contingencies**

**State and Federal Grantor Agencies** - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2017 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**Economic Dependency** – The School District 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, could have an effect on the School District’s programs and activities.

**Note 13. Deferred Compensation**

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Valic                      First Financial                      Fidelity Investments

**Note 14. Compensated Absences**

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

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 14. Compensated Absences (continued)**

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2017, the liability for compensated absences reported on the government-wide and on the proprietary fund Statement of Net Position was \$25,508 and \$0, respectively.

**Note 15. Tax Abatements**

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

**Note 16. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2017 was \$55,273.

**Note 17. Fund Balances**

**General Fund** – Of the \$854,097 General Fund fund balance at June 30, 2017, \$401,027 has been restricted for the Capital Reserve Account; \$32,565 has been restricted for the Maintenance Reserve Account; \$112,087 has been restricted for the Tuition Reserve Account; \$55,273 has been restricted for current year excess surplus; \$58,067 has been restricted for excess surplus – designated for subsequent year's expenditures; \$696 has been assigned for subsequent year's expenditures; \$42,735 has been committed to other purposes; and \$151,647 has been unassigned.



**ROOSEVELT SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017 (continued)**

**Note 17. Fund Balances (continued)**

**Capital Projects Fund** – Of the \$61,077 Capital Projects Fund fund balance at June 30, 2017, \$61,077 is restricted for future capital projects approved by the School District.

**Debt Service Fund** – Of the \$5,591 Debt Service Fund fund balance at June 30, 2017, \$5,591 is restricted for future debt service payments.

**Note 18. Deficit in Net Position**

**Unrestricted Net Position** – The School District governmental activities had a deficit in unrestricted net position in the amount of \$216,791 at June 30, 2017. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee’s Retirement System (PERS) as of June 30, 2017. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

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**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### C. Budgetary Comparison Schedules

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**ROOSEVELT SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

		June 30, 2017				Variance Final To Actual
		Original Budget	Budget Transfers	Final Budget	Actual	
<b>REVENUES</b>						
Local Sources:						
Local Tax Levy	10-1210	\$ 1,523,503	\$ -	\$ 1,523,503	\$ 1,523,503	\$ -
Tuition	10-1310	38,000	-	38,000	61,845	23,845
Tuition from Other LEAs	10-1320	-	-	-	9,004	9,004
Unrestricted Miscellaneous Revenues	10-1XXX	7,000	-	7,000	442	(6,558)
<b>Total Local Sources</b>		<b>1,568,503</b>	<b>-</b>	<b>1,568,503</b>	<b>1,594,794</b>	<b>26,291</b>
State Sources:						
School Choice Aid	10-3116	289,855	-	289,855	289,855	-
Categorical Special Education Aid	10-3132	68,205	-	68,205	68,205	-
Equalization Aid	10-3176	470,385	-	470,385	470,385	-
Categorical Security Aid	10-3177	8,957	-	8,957	8,957	-
Adjustment Aid	10-3178	86,214	-	86,214	86,214	-
Categorical Transportation Aid	10-3121	63,927	-	63,927	63,927	-
PARCC Readiness Aid	10-3181	1,360	-	1,360	1,360	-
Per Pupil Growth Aid	10-3182	1,360	-	1,360	1,360	-
Professional Learning Community Aid	10-3182	1,150	-	1,150	1,150	-
Non Public Transportation Aid	10-3XXX	-	-	-	696	696
Extraordinary Aid	10-3131	6,000	-	6,000	-	(6,000)
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	82,122	82,122
On-Behalf TPAF Post-Retirement Medical		-	-	-	68,426	68,426
On-Behalf TPAF Post-Retirement Long Term Disability		-	-	-	156	156
Reimbursed TPAF Social Security		-	-	-	63,625	63,625
<b>Total State Sources</b>		<b>997,413</b>	<b>-</b>	<b>997,413</b>	<b>1,206,438</b>	<b>209,025</b>
<b>Total Revenues</b>		<b>2,565,916</b>	<b>-</b>	<b>2,565,916</b>	<b>2,801,232</b>	<b>235,316</b>
<b>EXPENDITURES</b>						
Current Expense:						
Regular Programs - Instruction:						
Salaries of Teachers:						
Preschool	11-105-100-101	31,708	-	31,708	31,708	-
Kindergarten	11-110-100-101	61,121	1,066	62,187	62,187	-
Grades 1-5	11-120-100-101	402,000	24,827	426,827	426,827	-
Grades 6-8	11-130-100-101	76,000	5,069	81,069	81,069	-
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	500	-	500	-	500
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	68,000	28,562	96,562	96,562	-
Purchased Professional Education Services	11-190-100-320	-	4,165	4,165	4,165	-
Purchased Technical Services	11-190-100-340	23,000	11,819	34,819	33,050	1,769
General Supplies	11-190-100-610	32,500	11,655	44,155	41,557	2,598
Textbooks	11-190-100-640	13,700	(10,574)	3,126	2,489	637
Other Objects	11-190-100-800	500	-	500	60	440
<b>Total Regular Programs - Instruction</b>		<b>709,029</b>	<b>76,589</b>	<b>785,618</b>	<b>779,674</b>	<b>5,944</b>
Special Education - Instruction						
Salaries of Teachers	11-213-100-101	111,000	4,584	115,584	115,584	-
Other Salaries for Instruction	11-213-100-106	3,000	(3,000)	-	-	-
Purchased Professional - Educational Services	11-213-100-320	500	-	500	-	500
Purchased Technical Services	11-213-100-340	1,200	-	1,200	-	1,200
General Supplies	11-213-100-610	3,000	(802)	2,198	1,049	1,149
Textbooks	11-213-100-640	250	-	250	-	250
<b>Total Resource Room/Resource Center</b>		<b>118,950</b>	<b>782</b>	<b>119,732</b>	<b>116,633</b>	<b>3,099</b>
<b>Total Special Education - Instruction</b>		<b>118,950</b>	<b>782</b>	<b>119,732</b>	<b>116,633</b>	<b>3,099</b>

**ROOSEVELT SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

		June 30, 2017			Variance Final To Actual	
		Original Budget	Budget Transfers	Final Budget		Actual
Bilingual Education - Instruction						
Salaries of Teachers	11-240-100-101	4,500	(3,000)	1,500	-	1,500
School Sponsored Co/Extra-Curr. Activities - Instruction:						
Salaries	11-401-100-100	2,000	8,352	10,352	10,352	-
Supplies and Materials	11-401-100-600	1,500	(600)	900	391	509
Total School Sponsored Cocurricular Activities - Instruction		3,500	7,752	11,252	10,743	509
Total - Instruction		835,979	82,123	918,102	907,050	11,052
Undist. Expend. - Instruction:						
Tuition To Other LEAs Within the State - Regular	11-000-100-561	385,000	16,308	401,308	401,307	1
Tuition To Other LEAs Within the State - Special	11-000-100-562	126,000	(4,390)	121,610	120,581	1,029
Tuition To County Vocational School District - Regular	11-000-100-563	13,500	-	13,500	12,900	600
Tuition To County Vocational School District - Special	11-000-100-564	5,000	(5,000)	-	-	-
Tuition To County Special Service School District and Regional	11-000-100-565	50,000	(49,391)	609	-	609
Total Undist. Expend. - Instruction		579,500	(42,473)	537,027	534,788	2,239
Undist. Expend. - Attendance and Social Work Services:						
Salaries	11-000-211-100	22,000	559	22,559	22,559	-
Supplies and Materials	11-000-211-600	5,000	(4,959)	41	-	41
Total Undist. Expend. - Attendance and Social Work Services		27,000	(4,400)	22,600	22,559	41
Undist. Expend. - Health Services:						
Salaries	11-000-213-100	50,000	1,534	51,534	51,534	-
Purchased Professional and Technical Services	11-000-213-300	6,000	(1,750)	4,250	4,250	-
Supplies and Materials	11-000-213-600	2,188	-	2,188	1,331	857
Total Undist. Expend. - Health Services		58,188	(216)	57,972	57,115	857
Undist. Expend. - Speech, OT, PT & Related Svc:						
Salaries	11-000-216-100	42,622	1,469	44,091	44,091	-
Purchased Professional - Educational Services	11-000-216-320	7,000	358	7,358	7,358	-
Supplies and Materials	11-000-216-600	500	-	500	224	276
Total Undist. Expend. - Speech, OT, PT & Related Svc.		50,122	1,827	51,949	51,673	276
Undist. Expend. - Child Study Teams:						
Salaries	11-000-219-104	13,000	585	13,585	13,585	-
Other Purchased Professional and Technical Services	11-000-219-390	4,000	2,075	6,075	6,075	-
Supplies and Materials	11-000-219-600	2,000	(539)	1,461	1,444	17
Total Undist. Expend. - Child Study Teams		19,000	2,121	21,121	21,104	17
Undist. Expend. - Improvement of Instructional Services:						
Salaries of Supervisors of Instruction	11-000-221-102	89,284	13,298	102,582	102,582	-
Purchased Professional - Educational Services	11-000-221-320	4,000	(18)	3,982	3,000	982
Total Undist. Expend. - Improvement of Instructional Services		93,284	13,280	106,564	105,582	982
Undist. Expend. - Educational Media/School Library:						
Salaries	11-000-222-100	31,393	(10,000)	21,393	3,011	18,382
Supplies and Materials	11-000-222-600	2,500	(896)	1,604	-	1,604
Total Undist. Expend. - Educational Media/School Library		33,893	(10,896)	22,997	3,011	19,986
Undist. Expend. - Instructional Staff Training Services:						
Purchased Professional - Educational Services	11-000-223-320	6,000	(2,832)	3,168	450	2,718
Other Purchased Services	11-000-223-500	6,000	(152)	5,848	4,567	1,281
Total Undist. Expend. - Instructional Staff Training Services		12,000	(2,984)	9,016	5,017	3,999



**ROOSEVELT SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

		June 30, 2017				Variance
		Original Budget	Budget Transfers	Final Budget	Actual	Final To Actual
<b>Undist. Expend. - Support Services - General Administration:</b>						
Salaries	11-000-230-100	15,918	9,382	25,300	25,250	50
Legal Services	11-000-230-331	6,000	(1,350)	4,650	2,650	2,000
Audit Fees	11-000-230-332	18,000	2,455	20,455	19,555	900
Architectural/Engineering Services.	11-000-230-334	1,500	-	1,500	-	1,500
Other Purchased Professional Services	11-000-230-339	8,000	2,950	10,950	5,695	5,255
Communications / Telephone	11-000-230-530	25,000	(4,603)	20,397	13,892	6,505
Other Expenses	11-000-230-590	1,500	21	1,521	1,521	-
Misc. Purchased Services (400-500)	11-000-230-600	1,500	(1,000)	500	236	264
General Supplies	11-000-230-610	1,500	-	1,500	1,010	490
Miscellaneous Expenditures	11-000-230-890	10,000	4,027	14,027	12,999	1,028
<b>Total Undist. Expend. - Support Services - General Administration</b>		<b>88,918</b>	<b>11,882</b>	<b>100,800</b>	<b>82,808</b>	<b>17,992</b>
<b>Undist. Expend. - Support Services - School Administration:</b>						
Salaries of Principals/Assistant Principals/Prog Dir	11-000-240-103	15,918	313	16,231	15,918	313
<b>Total Undist. Expend. - Support Services - School Administration</b>		<b>15,918</b>	<b>313</b>	<b>16,231</b>	<b>15,918</b>	<b>313</b>
<b>Undistributed Expenditures - Central Services:</b>						
Purchased Professional Services	11-000-251-330	-	6,291	6,291	5,211	1,080
Purchased Technical Services	11-000-251-340	500	-	500	360	140
Misc. Purchased Services (400-500)	11-000-251-592	60,000	(6,291)	53,709	53,704	5
Supplies and Materials	11-000-251-600	1,000	-	1,000	794	206
<b>Total Undistributed Expenditures - Central Services</b>		<b>61,500</b>	<b>-</b>	<b>61,500</b>	<b>60,069</b>	<b>1,431</b>
<b>Undist. Expend. - Administrative Information Technology:</b>						
Cleaning, Repair and Maintenance Services	11-000-260-420	-	300	300	255	45
<b>Total Undist. Expend. - Administrative Information Technology</b>		<b>-</b>	<b>300</b>	<b>300</b>	<b>255</b>	<b>45</b>
<b>Undist. Expend. - Required Maintenance for School Facilities:</b>						
Cleaning, Repair and Maintenance Services	11-000-261-420	95,000	16,471	111,471	89,179	22,292
General Supplies	11-000-261-610	10,000	56	10,056	9,098	958
Other Objects	11-000-261-800	12,000	(356)	11,644	5,510	6,134
<b>Total Undist. Expend. - Required Maintenance for School Facilities</b>		<b>117,000</b>	<b>16,171</b>	<b>133,171</b>	<b>103,787</b>	<b>29,384</b>
<b>Undist. Expend. - Custodial Services:</b>						
Purchased Professional and Technical Services	11-000-262-300	23,150	-	23,150	20,675	2,475
Other Purchases Property Services	11-000-262-490	4,000	-	4,000	2,775	1,225
Insurance	11-000-262-520	32,000	-	32,000	21,195	10,805
Miscellaneous Purchased Services	11-000-262-590	2,000	-	2,000	-	2,000
General Supplies	11-000-262-610	13,000	-	13,000	3,942	9,058
Water	11-000-262-620	5,000	-	5,000	5,000	-
Energy (Natural Gas)	11-000-262-621	6,600	-	6,600	1,248	5,352
Energy (Electricity)	11-000-262-622	27,500	-	27,500	16,410	11,090
<b>Total Undist. Expend. - Custodial Services</b>		<b>113,250</b>	<b>-</b>	<b>113,250</b>	<b>71,245</b>	<b>42,005</b>
<b>Total Undist. Expend. - Oper. &amp; Maint. of Plant</b>		<b>230,250</b>	<b>16,171</b>	<b>246,421</b>	<b>175,032</b>	<b>71,389</b>
<b>Undist. Expend. - Student Transportation Services:</b>						
Contract Serv (Bet. Home and Sch) - Vendors	11-000-270-503	5,000	-	5,000	-	5,000
Contracted Services (Bet. Home & School) - Vendors	11-000-270-511	-	2,652	2,652	2,652	-
Contracted Services (Other Than Bet. Home & School) - Vendors	11-000-270-512	3,000	-	3,000	1,805	1,195
Contracted Services (Bet. Home & Sch) - Joint Agreements	11-000-270-513	55,000	10,710	65,710	65,710	-
Contracted Services (Special Ed. Students) - Vendors	11-000-270-514	115,000	(29,036)	85,964	76,901	9,063
<b>Total Undist. Expend. - Student Transportation Services</b>		<b>178,000</b>	<b>(15,674)</b>	<b>162,326</b>	<b>147,068</b>	<b>15,258</b>
<b>Unallocated Benefits - Employee Benefits:</b>						
Social Security Contributions	11-000-291-220	24,000	-	24,000	20,271	3,729
Other Retirement Contributions - PERS	11-000-291-241	20,000	-	20,000	17,896	2,104
Unemployment Compensation	11-000-291-250	5,000	-	5,000	3,325	1,675
Health Benefits	11-000-291-270	290,000	(48,248)	241,752	187,093	54,659
Tuition Reimbursement	11-000-291-280	4,000	-	4,000	-	4,000
<b>Total Unallocated Benefits - Employee Benefits</b>		<b>343,000</b>	<b>(48,248)</b>	<b>294,752</b>	<b>228,585</b>	<b>66,167</b>

**ROOSEVELT SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	June 30, 2017				Variance Final To Actual	
	Original Budget	Budget Transfers	Final Budget	Actual		
Nonbudgeted:						
On-Behalf TPAF Pension Contributions	-	-	-	82,122	(82,122)	
On-Behalf TPAF Post-Retirement Medical	-	-	-	68,426	(68,426)	
On-Behalf TPAF Post-Retirement Long Term Disability	-	-	-	156	(156)	
Reimbursed TPAF Social Security	-	-	-	63,625	(63,625)	
<b>Total Nonbudgeted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>214,329</b>	<b>(214,329)</b>	
Total Personal Services - Employee Benefits	343,000	(48,248)	294,752	442,914	(148,162)	
Total Undistributed Expenditures	1,790,573	(78,997)	1,711,576	1,724,913	(13,337)	
<b>Total Expenditures - Current Expense</b>	<b>2,626,552</b>	<b>3,126</b>	<b>2,629,678</b>	<b>2,631,963</b>	<b>(2,285)</b>	
<b>CAPITAL OUTLAY</b>						
Facilities Acquisition and Construction Services:						
Other Purchased Professional and Technical Services	12-000-400-334	12,000	8,760	20,760	20,760	-
Facilities Acquisition and Construction Services	12-000-400-450	18,000	75,509	93,509	90,334	3,175
Supplies and Materials	12-000-400-600	40,000	(15,000)	25,000	4,041	20,959
Prior Year Outstanding Purchase Orders	12-000-400-731	-	32,360	32,360	32,360	-
Assessment for Debt Service on SDA Funding	12-000-400-896	842	-	842	842	-
<b>Total Capital Outlay</b>	<b>70,842</b>	<b>101,629</b>	<b>172,471</b>	<b>148,337</b>	<b>24,134</b>	
<b>Total Expenditures</b>	<b>2,697,394</b>	<b>104,755</b>	<b>2,802,149</b>	<b>2,780,300</b>	<b>21,849</b>	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(131,478)	(104,755)	(236,233)	20,932	257,165	
Other Financing Sources/(Uses):						
Transfer To Food Services - Board Contribution	-	-	-	(511)	(511)	
<b>Total Other Financing Sources/(Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(511)</b>	<b>(511)</b>	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources/(Uses)	(131,478)	(104,755)	(236,233)	20,421	256,654	
Fund Balances, July 1	932,725	-	932,725	932,725	-	
<b>Fund Balances, June 30</b>	<b>801,247</b>	<b>(104,755)</b>	<b>696,492</b>	<b>953,146</b>	<b>256,654</b>	

**RECAPITULATION OF BUDGET TRANSFERS**

Prior Year Reserve for Encumbrances	<u>104,755</u>
<b>Total Transfers</b>	<u><u>104,755</u></u>

**RECAPITULATION OF FUND BALANCE**

Recapitulation:	
Restricted:	
Excess Surplus	55,273
Excess Surplus Designated for Subsequent Year's Expenditures	58,067
Capital Reserve	401,027
Maintenance Reserve	32,565
Tuition Reserve - Current Adjustment	57,950
Tuition Reserve - Prior Year Adjustment	54,137
Assigned:	
Designated for Subsequent Year's Expenditures	696
Year-End Encumbrances	42,735
Unassigned	<u>250,696</u>
	953,146
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments not recognized on GAAP Basis	<u>(99,049)</u>
<b>Fund Balance per Governmental Funds (GAAP)</b>	<u><u>854,097</u></u>

**ROOSEVELT SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	June 30, 2017				Variance Final To Actual
	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:					
Local Sources	\$ -	\$ -	\$ -	\$ 910	\$ (910)
Federal Sources	62,800	37,519	100,319	61,464	38,855
<b>Total Revenues</b>	<b>62,800</b>	<b>37,519</b>	<b>100,319</b>	<b>62,374</b>	<b>37,945</b>
Expenditures:					
Instruction:					
Salaries	45,800	11,931	57,731	36,974	20,757
General Supplies	17,000	7,499	24,499	13,870	10,629
<b>Total Instruction</b>	<b>62,800</b>	<b>19,430</b>	<b>82,230</b>	<b>50,844</b>	<b>31,386</b>
Support Services:					
Personal Services - Employee Benefits	-	15,010	15,010	10,249	4,761
Purchased Professional & Technical Services	-	2,689	2,689	1,281	1,408
Supplies	-	390	390	-	390
<b>Total Support Services</b>	<b>-</b>	<b>18,089</b>	<b>18,089</b>	<b>11,530</b>	<b>6,559</b>
<b>Total Expenditures</b>	<b>62,800</b>	<b>37,519</b>	<b>100,319</b>	<b>62,374</b>	<b>37,945</b>
<b>Total Outflows</b>	<b>62,800</b>	<b>37,519</b>	<b>100,319</b>	<b>62,374</b>	<b>37,945</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -	\$ -

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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**ROOSEVELT SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FISCAL YEAR ENDED JUNE 30, 2017**

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

	GENERAL FUND	SPECIAL REVENUE FUND
<b>SOURCES/INFLOWS OF RESOURCES</b>		
Actual amounts (budgetary) "revenues" from the Budgetary Comparison Schedules	\$ 2,801,232	\$ 62,374
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	97,948	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(99,049)	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 2,800,131</u>	<u>\$ 62,374</u>
<b>USES/OUTFLOWS OF RESOURCES</b>		
Actual amounts (budgetary basis) "total outflows" from the Budgetary Comparison Schedule	\$ 2,780,300	\$ 62,374
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Less Current Year Encumbrances	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 2,780,300</u>	<u>\$ 62,374</u>

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**ROOSEVELT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**LAST FOUR FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.00175%	0.00172%	0.00190%	0.00174%
District's proportionate share of the net pension liability (asset)	\$ 518,708	\$ 386,252	\$ 356,474	\$ 331,799
District's covered-employee payroll	\$ 73,962	\$ 120,473	\$ 111,604	\$ 109,421
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	701.32%	320.61%	319.41%	303.23%
Plan fiduciary net position as a percentage of the total pension liability	40.14%	47.93%	52.08%	48.72%

\*\*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**ROOSEVELT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
LAST FOUR FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 9,653	\$ 14,793	\$ 15,697	14,566
Contributions in relation to the contractually required contribution	<u>9,653</u>	<u>14,793</u>	<u>15,697</u>	<u>14,566</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 73,921	\$ 73,962	\$ 120,473	\$ 111,604
Contributions as a percentage of covered- employee payroll	13.06%	20.00%	13.03%	13.05%

\*\*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**ROOSEVELT SCHOOL DISTRICT**  
**SCHEDULE OF THE STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**TEACHERS' PENSION AND ANNUITY FUND**  
**LAST FOUR FISCAL YEARS**

	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.00621%	0.00616%	0.00799%	0.00766%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 4,888,561	\$ 3,893,007	\$ 4,268,556	\$ 3,873,090
District's covered-employee payroll	\$ 937,593	\$ 835,632	\$ 720,949	\$ 720,949
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	22.33%	28.71%	33.64%	33.76%

\*\*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**ROOSEVELT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
TEACHERS' PENSION AND ANNUITY FUND  
LAST FOUR FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**ROOSEVELT SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 4.13% as of June 30, 2015, to 3.22% as of June 30, 2016.

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 4.90 % as of June 30, 2015, to 3.98% as of June 30, 2016.

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**OTHER SUPPLEMENTARY INFORMATION**

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**ROOSEVELT SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	IDEA Part B <u>Basic</u>	N.C.L.B. Title I <u>Part A</u>	N.C.L.B. Title II <u>Part A</u>	Rural Education Achievement <u>Program</u>	RPSED Library <u>Grant</u>	<u>Totals</u>
<u>Revenues</u>						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ 910	\$ 910
Federal Sources	30,358	16,865	1,281	12,960	-	61,464
Total Revenues	<u>\$ 30,358</u>	<u>\$ 16,865</u>	<u>\$ 1,281</u>	<u>\$ 12,960</u>	<u>\$ 910</u>	<u>\$ 62,374</u>
<u>Expenditures</u>						
Instruction:						
Salaries	\$ 23,769	\$ 13,205	\$ -	\$ -	\$ -	\$ 36,974
General Supplies	-	-	-	12,960	910	13,870
Total Instruction	<u>23,769</u>	<u>13,205</u>	<u>-</u>	<u>12,960</u>	<u>910</u>	<u>50,844</u>
Support Services:						
Benefits	6,589	3,660	-	-	-	10,249
Purchased Prof & Technical Services	-	-	1,281	-	-	1,281
Total Support Services	<u>6,589</u>	<u>3,660</u>	<u>1,281</u>	<u>-</u>	<u>-</u>	<u>11,530</u>
Total Expenditures	<u>\$ 30,358</u>	<u>\$ 16,865</u>	<u>\$ 1,281</u>	<u>\$ 12,960</u>	<u>\$ 910</u>	<u>\$ 62,374</u>

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F. Capital Projects Fund

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**ROOSEVELT SCHOOL DISTRICT  
SUMMARY STATEMENT OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

PROJECT TITLE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES		UNEXPENDED BALANCE 2017
			PRIOR YEAR	CURRENT YEAR	
SITE DRAINAGE	06/11/15	\$ 87,475	\$ 71,468	\$ -	\$ 16,007
ROOF REPLACEMENT	06/11/15	368,106	328,772	-	39,334
EXTERIOR STUCCO REPAIRS	06/11/15	476,050	435,714	-	40,336
Total		<u>\$ 931,631</u>	<u>\$ 835,954</u>	<u>\$ -</u>	<u>\$ 95,677</u>
					Unexpended Balance \$ 95,677
					Unrecognized Capital Reserve (1,238)
					Unrecognized State Aid (33,362)
					<u>Fund Balance (Exhibit B-2) \$ 61,077</u>

**ROOSEVELT SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE-BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2017**

Revenues:	
State Sources - SDA Grant	\$ -
Bond Proceeds & Transfers	-
	<hr/>
Total Revenue	-
	<hr/>
Expenditures:	
Purchased Professional & Technical Services	-
Construction Services	-
	<hr/>
Total Expenditures	-
	<hr/>
Other Financing Sources & Uses:	
Transfer to Debt Service Fund	-
Interest	-
Refund of prior year's expenditures	-
	<hr/>
Total Other Financing Sources & Uses	-
	<hr/>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-
Fund Balance - Beginning	61,077
	<hr/>
Fund Balance - Ending	<u>\$ 61,077</u>

**ROOSEVELT SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
SITE DRAINAGE  
YEAR ENDED JUNE 30, 2017**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
<b>Revenues:</b>				
State Sources - SDA Grant	\$ 29,586	\$ -	\$ 29,586	\$ 31,127
Bond Proceeds & Transfers	46,690	-	46,690	56,348
				-
Total Revenues	76,276	-	76,276	87,475
<b>Expenditures:</b>				
Purchased Professional & Technical Services	17,440	-	17,440	17,440
Construction Services	56,525	-	56,525	70,035
				-
Total Expenditures	73,965	-	73,965	87,475
<b>Other Financing Sources &amp; Uses:</b>				
Transfer to Debt Service Fund	(230)	-	(230)	-
Interest	230	-	230	-
Refund of Prior Year's Expenditures	2,497	-	2,497	-
Total Other Financing Sources & Uses	2,497	-	2,497	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 4,808	\$ -	\$ 4,808	\$ -

**ADDITIONAL PROJECT INFORMATION**

Project Number	4520-050-14-1002/G2DV
Grant Date	1/8/15
Bond Authorization Date	4/30/15
Bonds Authorized	\$ 46,690
Bonds Issued	\$ 46,690
Original Authorized Cost	\$ 87,475
Reduction of Authorized Cost	\$ -
Revised Authorized Cost	\$ 87,475
Percentage Decrease Under Original Authorized Cost	0.00%
Percentage Completion	96.97%

**ROOSEVELT SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
ROOF REPLACEMENT  
YEAR ENDED JUNE 30, 2017**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues:				
State Sources - SDA Grant	\$ 131,555	\$ -	\$ 131,555	\$ 147,242
Bond Proceeds & Transfers	223,722	-	223,722	220,864
<b>Total Revenues</b>	<b>355,277</b>	<b>-</b>	<b>355,277</b>	<b>368,106</b>
Expenditures:				
Purchased Professional & Technical Services	37,686	-	37,686	36,810
Construction Services	291,200	-	291,200	331,296
<b>Total Expenditures</b>	<b>328,886</b>	<b>-</b>	<b>328,886</b>	<b>368,106</b>
Other Financing Sources & Uses:				
Refund of Prior Year's Expenditures	114	-	114	-
<b>Total Other Financing Sources &amp; Uses</b>	<b>114</b>	<b>-</b>	<b>114</b>	<b>-</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 26,505	\$ -	\$ 26,505	\$ -

**ADDITIONAL PROJECT INFORMATION**

Project Number	4520-050-14-1001/G2DU
Grant Date	1/8/15
Bond Authorization Date	4/30/15
Bonds Authorized	\$ 220,864
Bonds Issued	\$ 220,864
Original Authorized Cost	\$ 368,106
Reduction of Authorized Cost	\$ -
Revised Authorized Cost	\$ 368,106
Percentage Decrease Under Original Authorized Cost	0.00%
Percentage Completion	92.54%



**ROOSEVELT SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
EXTERIOR STUCCO REPAIRS  
YEAR ENDED JUNE 30, 2017**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues:				
State Sources - SDA Grant	\$ 174,286	\$ -	\$ 174,286	\$ 190,420
Bond Proceeds & Transfers	291,193	-	291,193	285,630
<b>Total Revenues</b>	<b>465,479</b>	<b>-</b>	<b>465,479</b>	<b>476,050</b>
Expenditures:				
Purchased Professional & Technical Services	48,014	-	48,014	47,605
Construction Services	387,700	-	387,700	428,445
<b>Total Expenditures</b>	<b>435,714</b>	<b>-</b>	<b>435,714</b>	<b>476,050</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 29,765	\$ -	\$ 29,765	\$ -

**ADDITIONAL PROJECT INFORMATION**

Project Number	4520-050-14-1003/G2DW
Grant Date	1/8/15
Bond Authorization Date	4/30/15
Bonds Authorized	\$ 238,446
Bonds Issued	\$ 238,446
Original Authorized Cost	\$ 476,050
Reduction of Authorized Cost	\$ -
Revised Authorized Cost	\$ 476,050
Percentage Decrease Under Original Authorized Cost	0.00%
Percentage Completion	93.61%

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## Enterprise Funds

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## H. Fiduciary Fund

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**ROOSEVELT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2017**

	<u>Agency</u>		<u>Totals</u>
	<u>Payroll</u> <u>Fund</u>	<u>Student</u> <u>Activity</u>	
Assets:			
Cash and Cash Equivalents	\$ 10,690	\$ 10,788	\$ 21,478
Total Assets	<u>\$ 10,690</u>	<u>\$ 10,788</u>	<u>\$ 21,478</u>
Liabilities:			
Payable To Student Groups	\$ -	\$ 10,788	\$ 10,788
Payroll Deductions and Withholdings	-	-	-
Interfunds Payable	10,589	-	10,589
Reserve for Flexible Spending	101	-	101
Total Liabilities	<u>10,690</u>	<u>10,788</u>	<u>21,478</u>
Total Liabilities and Net Position	<u>\$ 10,690</u>	<u>\$ 10,788</u>	<u>\$ 21,478</u>

**ROOSEVELT SCHOOL DISTRICT  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
STUDENT ACTIVITY AGENCY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Balance July 1, <u>2016</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance June 30, <u>2017</u>
<u>Assets</u>				
Elementary Schools:				
Roosevelt Elementary	\$ 10,270	\$ 12,012	\$ 11,494	\$ 10,788
Total Assets	<u>\$ 10,270</u>	<u>\$ 12,012</u>	<u>\$ 11,494</u>	<u>\$ 10,788</u>
<u>Liabilities</u>				
Payable to Student Groups	\$ 10,270	\$ 12,012	\$ 11,494	\$ 10,788
Total Liabilities	<u>\$ 10,270</u>	<u>\$ 12,012</u>	<u>\$ 11,494</u>	<u>\$ 10,788</u>



**ROOSEVELT SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Balance July 1, <u>2016</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance June 30, <u>2017</u>
<u>Assets</u>				
Cash	\$ 23,953	\$ 1,477,089	\$ 1,490,352	\$ 10,690
Total Assets	<u>\$ 23,953</u>	<u>\$ 1,477,089</u>	<u>\$ 1,490,352</u>	<u>\$ 10,690</u>
<u>Liabilities</u>				
Payroll Deductions and Withholdings	\$ 3,058	\$ 1,477,089	\$ 1,480,147	\$ -
Interfunds Payable	19,907	-	9,318	10,589
Reserve for Flexible Spending	988	-	887	101
Total Liabilities	<u>\$ 23,953</u>	<u>\$ 1,477,089</u>	<u>\$ 1,490,352</u>	<u>\$ 10,690</u>

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## I. Long-Term Debt

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**ROOSEVELT SCHOOL DISTRICT  
STATEMENT OF SERIAL BONDS  
JUNE 30, 2017**

	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance July 1, 2016</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2017</u>
			<u>Date</u>	<u>Amount</u>					
Construction and Renovations To School; Site Drainage, Roof & Stucco Repairs	06/01/2015	\$ 506,000	01/15/2018	45,000	1.88%	\$ 476,000	\$ -	\$ 45,000	\$ 431,000
			01/15/2019	50,000	1.88%				
			01/15/2020	50,000	1.88%				
			01/15/2021	55,000	1.88%				
			01/15/2022	55,000	1.88%				
			01/15/2023	56,000	1.88%				
			01/15/2024	60,000	1.88%				
			01/15/2025	60,000	1.88%				
			<b>Total</b>			<b>\$ 476,000</b>	<b>\$ -</b>	<b>\$ 45,000</b>	<b>\$ 431,000</b>

**ROOSEVELT SCHOOL DISTRICT  
STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES  
JUNE 30, 2017**

<u>Purpose</u>	<u>Amount of Original Issue</u>	<u>Annualized Maturities</u>	<u>Balance July 1, 2016</u>	<u>Retired</u>	<u>Balance June 30, 2017</u>
		<u>Date</u> <u>Amount</u>			
PA System Lease	\$ 26,995	12/11/17 3,074	\$ 8,944	\$ 5,870	\$ 3,074
			\$ 8,944	\$ 5,870	\$ 3,074

**ROOSEVELT SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	June 30, 2017			Variance Positive/(Negative) Final To Actual
	Original Budget	Budget Transfers	Final Budget	
<u>Revenues</u>				
Local Sources:				
Local Tax Levy	\$ 53,948	\$ -	\$ 53,948	\$ 53,948
Total Revenues	53,948	-	53,948	53,948
<u>Expenditures</u>				
Regular Debt Service:				
Interest on Bonds	8,948	-	8,948	8,948
Redemption of Principal	45,000	-	45,000	45,000
Total Regular Debt Service	53,948	-	53,948	53,948
Total Expenditures	53,948	-	53,948	53,948
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-
Fund Balance, July 1	5,591	-	5,591	5,591
Fund Balance, June 30	\$ 5,591	\$ -	\$ 5,591	\$ 5,591

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**STATISTICAL SECTION (Unaudited)**

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Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. Note that the Exhibits are presented for the presented for the past ten fiscal years.

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**ROOSEVELT SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	FISCAL YEAR ENDING JUNE 30, 2017									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Government Activities:</b>										
Net Investment in Capital Assets	\$ 518,570	\$ 572,496	\$ 577,561	\$ 658,126	\$ 716,415	\$ 809,121	\$ 847,620	\$ 1,130,654	\$ 1,051,928	\$ 1,227,472
Restricted	696,162	545,470	393,718	226,723	215,432	71,691	162,012	291,483	581,396	725,687
Unrestricted	203,301	162,705	(29,307)	5,423	122,717	-	153,506	(10,721)	6,988	(216,791)
<b>Total Government Activities Net Position</b>	<b>\$ 1,418,033</b>	<b>\$ 1,280,670</b>	<b>\$ 941,972</b>	<b>\$ 890,272</b>	<b>\$ 1,054,564</b>	<b>\$ 880,812</b>	<b>\$ 1,163,138</b>	<b>\$ 1,411,416</b>	<b>\$ 1,640,312</b>	<b>\$ 1,736,368</b>
<b>Business-Type Activities:</b>										
Unrestricted	\$ 3,648	\$ 3,859	\$ 4,196	\$ 2,603	\$ 1,942	\$ 568	\$ -	\$ -	\$ -	\$ -
<b>Total Business-Type Activities Net Position</b>	<b>\$ 3,648</b>	<b>\$ 3,859</b>	<b>\$ 4,196</b>	<b>\$ 2,603</b>	<b>\$ 1,942</b>	<b>\$ 568</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Government-wide:</b>										
Net Investment in Capital Assets	\$ 518,570	\$ 572,496	\$ 577,561	\$ 658,126	\$ 716,415	\$ 809,121	\$ 847,620	\$ 1,130,654	\$ 1,051,928	\$ 1,227,472
Restricted	696,162	545,470	393,718	226,723	215,432	71,691	162,012	291,483	581,396	725,687
Unrestricted	206,949	166,563	(25,112)	8,025	124,659	568	153,506	(10,721)	6,988	(216,791)
<b>Total District Net Position</b>	<b>\$ 1,421,681</b>	<b>\$ 1,284,529</b>	<b>\$ 946,167</b>	<b>\$ 892,874</b>	<b>\$ 1,056,506</b>	<b>\$ 881,380</b>	<b>\$ 1,163,138</b>	<b>\$ 1,411,416</b>	<b>\$ 1,640,312</b>	<b>\$ 1,736,368</b>

**ROOSEVELT SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
FISCAL YEAR ENDING JUNE 30,										
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ (899,305)	\$ (866,549)	\$ (1,002,680)	\$ (954,653)	\$ (1,025,752)	\$ (737,198)	\$ (102,119)	\$ (736,781)	\$ (809,720)	\$ (830,518)
Special Education	(99,290)	(96,448)	(78,486)	(86,849)	(104,334)	(102,119)	-	(72,289)	(108,650)	(116,633)
Other Special Education	-	-	-	(17,162)	-	-	-	-	-	-
Other Instruction	(2,233)	(2,426)	(976)	(764)	(1,706)	(1,000)	(1,000)	-	(7,823)	(10,743)
Support Services:										
Tuition	(799,575)	(859,220)	(787,107)	(715,656)	(610,319)	(686,701)	(686,701)	(618,576)	(541,371)	(534,788)
Student and Instruction Related Services	(136,596)	(155,620)	(148,932)	(146,704)	(167,888)	(140,481)	(140,481)	(182,933)	(245,459)	(267,342)
School Administrative Services	(45,684)	(38,537)	(46,538)	(45,125)	(28,981)	(16,470)	(16,470)	(15,968)	(17,930)	(15,918)
General Administration	(29,864)	(51,019)	(86,431)	(76,321)	(63,678)	(46,214)	(46,214)	(52,318)	(74,228)	(82,808)
Central Services	(85,150)	(89,874)	(117,053)	(65,449)	(66,468)	(93,046)	(93,046)	(83,532)	(72,813)	(60,069)
Administrative Information Technology	-	-	-	-	(572)	(572)	-	-	(150)	(255)
Plant Operations and Maintenance	(173,041)	(112,598)	(171,170)	(173,670)	(165,515)	(325,271)	(325,271)	(185,297)	(166,673)	(169,162)
Pupil Transportation	(114,968)	(166,160)	(135,921)	(155,942)	(132,458)	(170,884)	(170,884)	(130,013)	(139,300)	(147,068)
Employee Benefits	-	-	-	-	(360,215)	(360,215)	(360,215)	(354,015)	(608,284)	(491,301)
Interest on Long-Term Debt	(24,455)	(20,406)	(16,725)	(13,020)	(9,054)	(4,882)	(4,882)	(1,132)	(9,344)	(9,383)
Loss on Disposal of Assets	-	-	-	-	-	-	-	(3,093)	-	(5,167)
Unallocated Depreciation and Amortization	-	-	-	-	(46,972)	(46,972)	(46,972)	(51,085)	(67,204)	(78,731)
Total Governmental Activities Expenses	(2,410,162)	(2,458,856)	(2,592,018)	(2,451,316)	(2,376,153)	(2,732,025)	(1,994,826)	(2,487,032)	(2,868,949)	(2,819,886)
Business-Type Activities:										
Food Service	(21,767)	(20,193)	(20,734)	(5,250)	(4,739)	(6,007)	(5,907)	(2,981)	(2,015)	(1,867)
Total Business-Type Activities Expenses	(21,767)	(20,193)	(20,734)	(5,250)	(4,739)	(6,007)	(5,907)	(2,981)	(2,015)	(1,867)
Total District Expenses	\$ (2,431,929)	\$ (2,479,049)	\$ (2,612,752)	\$ (2,456,566)	\$ (2,380,892)	\$ (2,738,032)	\$ (2,000,733)	\$ (2,490,012)	\$ (2,870,964)	\$ (2,821,753)
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	\$ 31,500	\$ 40,945	\$ 41,370	\$ 48,160	\$ 50,323	\$ 82,548	\$ 60,962	\$ 32,372	\$ 51,352	\$ 61,845
Pupil Transportation	-	-	-	-	-	-	-	-	-	9,004
Operating Grants and Contributions	55,832	102,510	80,616	74,849	92,878	94,573	108,857	47,322	439,241	275,793
Total Governmental Activities Program Revenues	87,332	143,455	121,986	123,009	143,201	177,121	169,819	79,694	490,593	346,642

**ROOSEVELT SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
FISCAL YEAR ENDING JUNE 30,										
Business-Type Activities:										
Changes for Services:										
Food Service	3,415	3,144	4,604	3,106	1,970	3,477	3,115	2,125	1,513	1,356
Operating Grants and Contributions	2,049	2,436	2,477	1,482	1,176	1,869	1,418	288	-	-
Total Business-Type Activities Program Revenues	5,464	5,580	7,080	4,588	3,146	5,346	4,533	2,412	1,513	1,356
Total District Program Revenues	\$ 92,796	\$ 149,035	\$ 129,066	\$ 127,597	\$ 146,347	\$ 182,467	\$ 174,352	\$ 82,107	\$ 492,106	\$ 347,998
Net (Expense)/Revenue:										
Governmental Activities	\$ (2,159,554)	\$ (2,266,707)	\$ (2,336,870)	\$ (2,469,009)	\$ (2,308,115)	\$ (2,199,032)	\$ (2,562,206)	\$ (2,407,337)	\$ (2,378,356)	\$ (2,473,244)
Business-Type Activities	(16,303)	(14,613)	(13,653)	(663)	(1,593)	(661)	(1,374)	(568)	(502)	(511)
Total District-wide Net (Expense)/Revenue	\$ (2,175,858)	\$ (2,281,320)	\$ (2,350,524)	\$ (2,469,672)	\$ (2,309,708)	\$ (2,199,693)	\$ (2,563,579)	\$ (2,407,906)	\$ (2,378,858)	\$ (2,473,755)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 1,170,752	\$ 1,217,582	\$ 1,266,285	\$ 1,311,021	\$ 1,387,716	\$ 1,415,470	\$ 1,443,779	\$ 1,501,733	\$ 1,570,984	\$ 1,523,503
Taxes Levied for Debt Service	55,983	53,874	55,031	56,000	57,416	58,247	58,874	57,891	41,385	53,948
Unrestricted Grants and Contributions	945,580	936,774	882,840	760,726	808,389	885,597	815,762	1,100,879	986,579	991,008
Investment Earnings	48,878	28,982	5,566	2,504	1,110	540	484	-	-	-
Miscellaneous Income	2,267	3,316	3,650	1,059	1,784	3,470	69,555	29,160	8,807	1,352
Transfers	(16,322)	(14,159)	(13,864)	(1,000)	-	-	-	-	(502)	(511)
Total Governmental Activities	2,207,138	2,226,369	2,199,508	2,130,310	2,256,415	2,363,325	2,388,454	2,689,663	2,607,253	2,569,300
Business-Type Activities:										
Transfers	16,322	14,159	13,864	1,000	-	-	-	-	502	511
Total Business-Type Activities	16,322	14,159	13,864	1,000	-	-	-	-	502	511
Total District-wide	\$ 2,223,460	\$ 2,240,528	\$ 2,213,372	\$ 2,131,310	\$ 2,256,415	\$ 2,363,325	\$ 2,388,454	\$ 2,689,663	\$ 2,607,755	\$ 2,569,811
Changes in Net Position:										
Governmental Activities	\$ 47,583	\$ (40,337)	\$ (137,363)	\$ (338,699)	\$ (51,700)	\$ 164,292	\$ (173,752)	\$ 282,326	\$ 228,897	\$ 96,056
Business-Type Activities	19	(454)	210	337	(1,593)	(661)	(1,374)	(568)	-	-
Total District	\$ 47,602	\$ (40,792)	\$ (137,152)	\$ (338,362)	\$ (53,293)	\$ 163,631	\$ (175,126)	\$ 281,758	\$ 228,897	\$ 96,056

**ROOSEVELT SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	FISCAL YEAR ENDING JUNE 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund:										
Reserved	\$ 696,162	\$ 553,854	\$ 265,682	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	212,299	171,704	140,092	-	-	-	-	-	-	-
Restricted	-	-	-	63,592	63,592	63,592	154,879	467,675	576,926	659,019
Assigned	-	-	-	168,426	155,472	18,305	20,208	20,577	105,103	43,431
Unassigned	-	-	-	19,854	132,422	-	153,506	90,736	152,748	151,647
<b>Total General Fund</b>	<b>\$ 908,461</b>	<b>\$ 725,558</b>	<b>\$ 405,775</b>	<b>\$ 251,871</b>	<b>\$ 351,486</b>	<b>\$ 81,897</b>	<b>\$ 328,593</b>	<b>\$ 578,988</b>	<b>\$ 834,777</b>	<b>\$ 854,097</b>
All Other Governmental Funds:										
Unreserved, Reported In:										
Debt Service Fund	\$ 2	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted:										
Capital Projects Fund	-	-	-	-	-	-	-	58,500	61,077	61,077
Debt Service Fund	-	-	-	2	2	2	1	1	5,591	5,591
<b>Total All Other Governmental Funds</b>	<b>\$ 2</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ 1</b>	<b>\$ 58,501</b>	<b>\$ 66,668</b>	<b>\$ 66,668</b>



**ROOSEVELT SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues:</b>										
Tax Levy	1,271,456	1,321,316	1,445,132	1,473,717	1,502,653	1,502,653	1,559,624	1,591,768	1,612,369	1,577,451
Tuition Charges	40,945	41,370	48,160	50,323	82,548	60,962	32,372	43,007	51,352	70,849
Interest Earnings	28,982	5,566	1,110	540	-	-	-	-	-	-
Miscellaneous	3,316	3,650	1,784	1,059	3,470	70,039	29,448	61,387	6,196	1,352
State Sources	984,453	907,787	701,420	834,231	886,003	882,426	1,100,879	1,455,809	1,163,297	1,205,337
Federal Sources	54,831	55,669	134,155	67,035	94,167	42,193	47,322	9,437	57,922	61,464
<b>Total Revenues</b>	<b>2,383,983</b>	<b>2,335,357</b>	<b>2,254,319</b>	<b>2,399,616</b>	<b>2,540,445</b>	<b>2,558,273</b>	<b>2,769,645</b>	<b>3,161,408</b>	<b>2,891,136</b>	<b>2,916,453</b>
<b>Expenditures:</b>										
Instruction:										
Regular	738,366	674,802	851,478	820,831	720,770	737,198	736,781	750,615	809,720	830,518
Special	77,022	64,869	55,883	76,382	73,901	102,119	72,289	105,686	108,650	116,633
Other	2,233	16,466	976	17,162	-	-	-	-	-	-
School-Sponsored/Other Instructional	799,575	2,426	764	1,706	1,000	1,000	-	2,616	7,823	10,743
Undistributed:										
Instruction	51,424	947,310	787,107	715,656	610,319	686,701	618,576	623,691	541,371	534,788
Support Services - Students	38,000	148,132	139,942	107,544	130,180	140,481	182,933	214,756	245,459	267,342
General Administration	32,543	35,407	63,229	72,504	41,737	46,214	52,318	82,344	74,228	82,808
School Administrative Services	21,021	25,559	30,955	32,950	15,968	16,470	15,968	16,000	17,930	15,918
Central Services	78,834	76,757	96,848	65,449	86,914	93,046	83,532	84,217	72,813	60,069
Administrative Information Technology	-	-	-	-	-	572	-	-	150	255
Plant Operations and Maintenance	173,041	112,598	171,170	172,985	165,515	327,192	190,175	155,251	163,395	175,032
Pupil Transportation	114,968	166,160	135,921	155,942	132,458	170,884	130,013	134,199	139,300	147,068
Business and Other Support Services:										
Employee Benefits	-	7,224	156,326	-	183,726	195,138	210,393	211,576	212,873	238,990
Other	5,014	-	-	-	-	-	-	-	-	-
On-Behalf TPAF Post Retirement Contribution	48,296	45,184	46,988	49,853	46,465	55,994	55,398	52,864	59,242	82,122
On-Behalf TPAF Pension Contribution	49,212	2,368	2,502	2,347	23,114	49,519	33,786	33,300	49,754	68,426
Reimbursed TPAF Social Security Contributions	54,455	63,271	57,621	60,295	60,521	60,994	49,637	60,502	67,722	63,625
Capital Outlay	29,571	34,034	-	56,235	66,422	62,758	10,642	830,500	22,833	147,495
Special Revenue	65,031	-	55,578	67,056	398	-	-	-	-	-
Debt Service:										
Principal	55,000	60,000	65,000	65,000	70,000	75,000	78,000	-	30,000	45,000
Interest and Other Charges	25,109	21,831	18,269	14,564	10,716	6,584	2,223	-	6,025	9,790
<b>Total Expenditures</b>	<b>2,458,715</b>	<b>2,504,398</b>	<b>2,735,791</b>	<b>2,553,519</b>	<b>2,440,831</b>	<b>2,827,862</b>	<b>2,522,663</b>	<b>3,358,116</b>	<b>2,629,288</b>	<b>2,896,622</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(74,732)	(169,041)	(481,472)	(153,903)	99,615	(269,589)	246,983	(196,707)	261,848	19,831
Other Financing Sources/(Uses):										
Refund of Prior Year's Expenditures	-	-	-	-	-	-	-	-	2,611	-
Bond Proceeds	-	-	-	-	-	-	-	506,000	-	-
Transfers In	29,571	-	-	-	-	-	-	-	-	-
Transfers Out	(43,729)	(13,864)	(1,000)	-	-	-	(288)	(398)	(9,153)	(511)
<b>Total Other Financing Sources/(Uses)</b>	<b>(14,159)</b>	<b>(13,864)</b>	<b>(1,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(288)</b>	<b>505,602</b>	<b>2,109</b>	<b>(511)</b>
<b>Net Change in Fund Balances</b>	<b>\$(88,891)</b>	<b>\$(182,904)</b>	<b>\$(482,472)</b>	<b>\$(153,903)</b>	<b>99,615</b>	<b>\$(269,589)</b>	<b>246,695</b>	<b>308,895</b>	<b>263,957</b>	<b>19,320</b>
Debt Service as a Percentage of Noncapital Expenditures	3.30%	3.31%	3.04%	3.19%	3.40%	2.95%	3.19%	-	1.38%	1.99%

Source: District records

Note: Noncapital expenditures are total expenditures less Capital Outlay.  
 Central Service and Administrative Information Technology account classifications were added beginning with year-end June 30, 2005.  
 Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.  
 \* Special Revenue allocation not available  
 \*\* Debt Service breakdown not available  
 \*\*\* Other Financing Sources/(Uses) not available

**ROOSEVELT SCHOOL DISTRICT**  
**GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Miscellaneous</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Annual</u> <u>Totals</u>
2008	3,116	28,982	40,945	73,043
2009	1,059	2,504	48,160	51,723
2011	1,764	1,110	50,323	53,197
2012	3,470	540	82,548	86,559
2013	69,555	484	60,962	-
2014	29,448	-	32,372	131,001
2015	55,962	-	43,007	61,819
2016	5,999	-	51,352	98,969
2017	442	-	70,849	57,351

Source: District records

## Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

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ROOSEVELT SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

Fiscal Year Ending June 30.	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Less:		Total	
								Tax-Exempt Property	Utilities <sup>a</sup>		Estimated Actual (County Equalized) Value
2008	716,200	85,678,300	4,732,500	220,000	1,183,700	1,638,700	2,101,400	-	105,546	96,270,800	1.371
2009	881,100	85,502,900	4,301,900	196,500	1,183,700	1,638,700	2,101,400	-	160,694	95,806,200	1.425
2010	310,000	75,299,500	3,928,400	196,500	1,038,000	1,534,500	1,849,400	-	157,728	84,156,300	1.714
2011	310,000	75,246,600	3,928,400	196,500	1,038,000	1,534,500	1,849,400	-	103,186	84,103,400	1.750
2012	310,000	77,179,300	2,279,600	89,300	1,038,000	1,534,500	1,849,400	20,415,100	152,998	84,280,100	1.780
2013	472,800	75,236,900	3,770,300	185,600	1,038,000	1,534,500	1,849,400	-	123,790	84,087,500	1.852
2014	152,100	73,218,900	4,042,300	147,900	928,900	1,534,400	1,849,400	-	122,161	81,873,900	1.941
2015	137,700	77,729,000	3,893,900	170,300	971,100	1,353,600	1,470,000	-	111,615	85,725,600	1.879
2016	137,700	77,278,200	3,977,000	163,100	966,100	1,340,900	1,365,000	-	116,749	85,228,000	1.848
2017	137,700	77,601,600	3,999,200	157,400	969,500	1,433,300	1,367,100	-	116,088	85,665,800	1.850

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment ("R") occurs when the County Board of Taxation requests Treasury to order a reassessment.

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

b Tax rates are per \$100

N/A At the time of CAFR Completion, this data was not yet available

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

Fiscal Year Ending <u>June 30,</u>	Roosevelt School District Direct Rate			Overlapping Rates			Total Direct and Overlapping <u>Tax Rate</u>
	<u>Basic Rate</u> <sup>a</sup>	General Obligation Debt <u>Service</u> <sup>b</sup>	Direct School Tax <u>Rate</u>	Roosevelt <u>Borough</u>	Monmouth <u>County</u>	(From J-6) Total	
2008	1.314	0.057	1.371	0.530	0.242	2.143	2.143
2009	1.366	0.059	1.425	0.634	0.268	2.327	2.327
2010	1.648	0.066	1.714	0.748	0.308	2.770	2.770
2011	N/A	N/A	1.750	0.747	0.320	2.817	2.817
2012	N/A	N/A	1.780	0.748	0.313	2.841	2.841
2013	1.778	0.074	1.852	0.748	0.313	2.913	2.913
2014	1.869	0.072	1.941	0.749	0.306	2.996	2.996
2015	1.879	0.072	1.951	0.728	0.312	2.991	2.991
2016	1.801	0.047	1.848	0.728	0.292	2.868	2.868
2017	1.787	0.063	1.850	0.756	0.295	2.901	2.901

Source: Municipal Tax Assessor

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.
- b Rates for debt service are based on each year's requirements.

**ROOSEVELT SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

	2017			2008		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Gade, Sreenivasa and Kanigiri	\$	1		\$	1	
Roosevelt Sr Ct H S C/O LSM of NJ		2			2	
Battel, Elsbeth G		3			3	
Wojnicki, John		4			4	
Congregation Yeshivas Me'On Hatorah		<b>DATA NOT AVAILABLE</b>				
Dexheimer, W. Kim		6			6	
Marko, Neil & Joy & E Marder		7			7	
Gerling, Paul & Peggy		8			8	
Stinson, Arthur		9			9	
Hermann, Richard & Stelsa		10			10	
<b>Total</b>	<b>\$</b>			<b>\$</b>		

Source: Municipal Tax Assessor

**ROOSEVELT SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for <u>the Fiscal Year</u>	Collected Within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent <u>Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2008	1,266,285	1,266,285	100.00%	-
2009	1,321,316	1,321,316	100.00%	-
2010	1,367,021	1,321,316	100.00%	-
2011	1,445,132	1,445,132	100.00%	-
2012	1,473,717	1,473,717	100.00%	-
2013	1,502,653	1,502,653	100.00%	-
2014	1,559,624	1,559,624	100.00%	-
2015	1,591,768	1,591,768	100.00%	-
2016	1,612,369	1,612,369	100.00%	-
2017	1,577,451	1,577,451	100.00%	-

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

- 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.



### Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

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**ROOSEVELT SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year Ending June 30,	Governmental Activities				Bond		Business-Type Activities		Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Certificates of Participation	Capital Leases	Anticipation Notes (BANS)	Capital Leases						
2007	\$ 468,000	None	None	None	None	\$	468,000	0.94%	513		
2008	413,000	None	None	None	None		413,000	0.83%	455		
2009	353,000	None	None	None	None		353,000	0.71%	389		
2010	288,000	None	None	None	None		288,000	N/A	N/A		
2011	223,000	None	None	None	None		223,000	N/A	N/A		
2012	158,000	None	None	None	None		158,000	N/A	N/A		
2013	78,000	None	24,528	None	None		102,528	N/A	N/A		
2014	-	None	19,651	None	None		19,651	N/A	N/A		
2015	506,000	None	14,463	None	None		520,463	N/A	N/A		
2016	476,000	None	8,944	None	None		484,944	N/A	N/A		
2017	431,000	None	3,074	None	None		434,074	N/A	N/A		

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

b Includes Early Retirement Incentive Plan ("ERIP") refunding

**ROOSEVELT SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year <u>Ending June 30,</u>	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of <u>Property</u>	Per <u>Capita</u> <sup>b</sup>
	General Obligation <u>Bonds</u>	<u>Deductions</u>	Net General Bonded Debt <u>Outstanding</u>		
2007	\$ 468,000	-	\$ 468,000	0.49%*	513
2008	413,000	-	413,000	0.43%	455
2009	353,000	-	353,000	0.37%	389
2010	288,000	-	353,000	N/A	N/A
2011	223,000	-	223,000	N/A	N/A
2012	158,000	-	158,000	N/A	N/A
2013	78,000	-	78,000	N/A	N/A
2014	-	-	-	N/A	N/A
2015	506,000	-	506,000	N/A	N/A
2016	476,000	-	476,000	N/A	N/A
2017	431,000	-	431,000	N/A	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

- a See Exhibit NJ J-6 for property tax data.
- b Population data can be found in Exhibit NJ J-14.
- \* Revaluation

**ROOSEVELT SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2017  
(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:			
Roosevelt Borough	\$		\$
Monmouth County General Obligation Debt			
Other Debt			
Municipal Water/Sewer Authority - Roosevelt District's Share			
Subtotal, Overlapping Debt			
Roosevelt District Direct Debt			
Total Direct and Overlapping Debt			\$

**DATA NOT AVAILABLE**

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

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Roosevelt. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

**ROOSEVELT SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Legal Debt Margin Calculation for Fiscal Year 2017

	Fiscal Year		
	2008	2009	2010
Debt Limit	\$ 2,115,676	\$ 744,095	\$ N/A
Total Net Debt Applicable To Limit	413,000	353,000	N/A
Legal Debt Margin	\$ 1,702,676	\$ 391,095	\$ N/A
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.52%	47.44%	N/A
	2013	2014	2015
Debt Limit	\$ 2,228,127	\$ 2,146,310	\$ 2,123,062
Total Net Debt Applicable To Limit	78,000	78,000	506,000
Legal Debt Margin	\$ 2,150,127	\$ 2,068,310	\$ 1,617,062
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.50%	3.63%	23.83%
	2011	2012	2017
Debt Limit	\$ 2,386,700	\$ 2,306,059	\$ 2,138,771
Total Net Debt Applicable To Limit	223,000	158,000	431,000
Legal Debt Margin	\$ 2,163,700	\$ 2,148,059	\$ 1,707,771
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.34%	6.85%	20.15%

Equalized Valuation Basis	
2,017	\$ 85,665,800
2016	\$ 85,228,000
2015	85,758,722
(A)	\$ 256,652,522
(A/3)	\$ 85,550,841
(B)	2,138,771
(C)	431,000
(B-C)	\$ 1,707,771

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

a Limit set by N.J.S.A. 18A:24-19 for a K through 12 District; other percentage limits would be applicable for other District types.

## Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**ROOSEVELT SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Year</u>	<u>Population</u> <sup>a</sup>	<u>Personal Income</u> <sup>b</sup>	<u>Per Capita Personal Income</u> <sup>c</sup>	<u>Unemployment Rate</u> <sup>d</sup>
2008	906	46,618,494	51,455	4.50%
2009	904	N/A	N/A	7.80%
2010	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A
2013	860	29,122,180	33,863	8.00%
2014	860	29,122,180	33,863	8.00%
2015	857	29,020,591	33,863	8.00%
2016	854	28,919,002	33,863	8.00%
2017	N/A	N/A	N/A	N/A

Source:

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



## Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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

<u>Function/Program</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>2016</u>	<u>2017</u>
Instruction:										
Regular	7.000	7.000	7.000	7.350	7.350	7.350	7.350	7.350	7.350	7.350
Special Education	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800	0.800
Other Special Education	1.715	1.715	1.715	1.715	1.715	1.715	1.715	1.715	1.715	1.715
Vocational	-	-	-	-	-	-	-	-	-	-
Other Instruction	1.515	1.515	1.515	1.515	1.515	1.515	1.515	1.515	1.515	1.515
Nonpublic School Programs	-	-	-	-	-	-	-	-	-	-
Adult/Continuing Education Programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Student and Instruction Related Services	-	-	-	-	-	-	-	-	-	-
General Administration	1.000	1.000	1.000	0.400	0.400	0.400	0.400	0.400	0.400	0.400
School Administrative Services	1.000	1.000	1.000	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Other Administrative Services	-	-	-	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Central Services	-	-	-	-	-	-	-	-	-	-
Administrative Information Technology	-	-	-	-	-	-	-	-	-	-
Plant Operations and Maintenance	-	-	-	-	-	-	-	-	-	-
Pupil Transportation	-	-	-	-	-	-	-	-	-	-
Other Support Services	2.500	2.500	2.500	2.500	2.500	2.500	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	0.100	0.100	0.100	0.100	0.100	0.100	-	-	-	-
Child Care	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>15.630</b>	<b>15.630</b>	<b>15.630</b>	<b>15.630</b>	<b>15.630</b>	<b>15.630</b>	<b>13.030</b>	<b>13.030</b>	<b>13.030</b>	<b>13.030</b>

Source: District Personnel Records

**ROOSEVELT SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>d</sup>	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2008	91	2,139,349	23,508	18.74%	10	9:1	N/A	N/A	15,720.0	2.05%	95%	
2009	91	2,241,183	24,627	4.76%	10	9:1	N/A	N/A	15,675.0	-1.08%	95%	
2010	81	2,286,538	28,229	14.62%	10	8:1	N/A	N/A	14,297.0	-8.80%	95%	
2011	86	2,417,721	28,113	-0.41%	10	8:1	N/A	N/A	12,731.0	-10.69%	95%	
2012	97	2,377,440	24,510	-12.82%	10	8:1	N/A	N/A	89.7	-99.30%	95%	
2013	89	2,683,521	30,152	N/A	10	9:1	N/A	N/A	85.50	N/A	95%	
2014	95	2,431,798	25,598	-15.10%	10	9:1	N/A	N/A	90.60	9.63%	95%	
2015	98	2,527,615	25,792	-15.10%	10	9:1	N/A	N/A	87.70	9.63%	96%	
2016	81	2,570,430	31,734	23.04%	10	8:1	N/A	N/A	79.60	-13.27%	96%	
2017	93	2,695,179	28,980	-8.68%	10	9:1	N/A	N/A	82.14	7.35%	95%	

Source: District records

Note: Enrollment based on annual October District count.

a Operating expenditures equal total expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**ROOSEVELT SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>District/Building</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>2016</u>	<u>2017</u>
Elementary:										
Roosevelt Elementary (1937)	20,099	20,099	20,099	20,299	20,299	20,299	20,299	20,299	20,299	20,299
Square Feet	150	150	150	150	150	150	150	150	150	150
Capacity (Students)	91	91	91	86	97	89	95	98	81	93
Enrollment										

Number of Schools at June 30, 2017:

- Elementary = 1
- Middle School = 0
- Senior High School = 0
- Other = 0

Source: District Facilities Office

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

**ROOSEVELT SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

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

\*School Facilities

	<u>Project # (s)</u>	<u>Roosevelt Elementary</u>	<u>Total</u>
2008	N/A	90,079	90,079
2009	N/A	52,874	52,874
2010	N/A	117,188	117,188
2011	N/A	124,012	124,012
2012	N/A	120,982	120,982
2013	N/A	142,703	142,703
2014	N/A	49,225	49,225
2015	N/A	110,163	110,163
2016	N/A	114,200	114,200
2017	N/A	103,787	103,787
		<u>103,787</u>	<u>103,787</u>
Total School Facilities		<u>\$ 1,025,213</u>	<u>\$ 1,025,213</u>

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

Source: District records



**ROOSEVELT SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2016  
(UNAUDITED)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (4):		
Building and Contents (All Locations)	\$ 3,739,468	\$ 2,500
Boiler and Machinery	100,000,000	
General Automobile Liability	5,000,000	
School Board Legal Liability (1)	10,000,000	15,000
Employers Liability	2,000,000	
Workers' Compensation	Statutory	
Student Accident Insurance (2)	1,000,000	
Surety Bonds (3):		
Board Secretary/Business Administrator	150,000	
Environmental (6)	1,000,000	10,000
"CAP" - Excess Liability (5)	50,000,000	
Umbrella (4)	5,000,000	
(1) New Jersey School Board Association Insurance Group		
(2) Markel/McCloskey		
(3) Selective Insurance Company		
(4) School Alliance Insurance Fund		
(5) Firemans Fund		
(6) ACE Insurance Company		

Source: District records

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**SINGLE AUDIT SECTION**

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EXHIBIT K-1

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

Honorable President and Members  
of the Board of Education  
Roosevelt School District  
County of Monmouth  
Roosevelt, New Jersey 08555

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

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Roosevelt School 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 Roosevelt School District’s internal control. Accordingly, we do not express an opinion on the effectiveness of Roosevelt School District’s internal control.

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

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

## **Compliance and Other Matters**

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

## **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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines  
Certified Public Accountant  
Public School Accountant, No. 2198

Toms River, New Jersey  
November 30, 2017



EXHIBIT K-2

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY NEW JERSEY OMB  
CIRCULAR 15-08**

Honorable President and Members  
of the Board of Education  
Roosevelt School District  
County of Monmouth  
Roosevelt, New Jersey 08555

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

We have audited the Roosevelt School District’s compliance with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District’s major state programs for the fiscal year ended June 30, 2017. The Roosevelt School District’s major state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

**Management’s Responsibility**

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on compliance for each of the Roosevelt School 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; New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards and New Jersey OMB’s Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the School District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the Roosevelt School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2017.

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

Management of the Roosevelt School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School 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 New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District'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 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 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines  
Certified Public Accountant  
Public School Accountant, No. 2198

Toms River, New Jersey  
November 30, 2017

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**ROOSEVELT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Federal Grantor/Pass-Through Grantor/ Program Title or Cluster	Federal CFDA Number	Federal FAIN Number	Pass Through Entity Identifying Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2016	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Subrecipient Expenditures	Balance June 30, 2017	
											(Accounts Receivable)	Unearned Revenue
<b>U.S. Department of Education</b>												
Passed-Through State Department of Education:												
Rural Education Achievement Program	84.358A	S358B150030	S358A141530	\$ 18,130	07/01/16 09/30/17	\$ -	-	\$ 10,585	\$ (12,960)	\$ -	\$ (2,375)	\$ -
Rural Education Achievement Program	84.358A	S358B150030	S358A141530	\$ 17,346	07/01/15 09/30/16	(22,516)	-	22,516	-	-	-	-
Rural Education Achievement Program	84.358A	S358B150030	S358A131430	\$ 16,786	07/01/14 09/30/15	(2,375)	-	2,375	-	-	-	-
Subtotal						(24,891)	-	35,476	(12,960)	-	(2,375)	-
I.D.E.A. Part B (Special Education Cluster)												
Basic	84.027	H027A160100	100-034-5065-016	\$ 25,688	07/01/16 06/30/17	-	-	17,614	(30,358)	-	(12,744)	-
Basic	84.027	H027A150100	100-034-5065-016	\$ 28,177	07/01/15 06/30/16	(5,771)	-	5,771	-	-	-	-
Subtotal						(5,771)	-	23,385	(30,358)	-	(12,744)	-
Preschool	84.173	H173A150114	100-034-5065-020	\$ 1,414	07/01/15 06/30/16	-	-	1,390	-	-	-	1,390
Subtotal						-	-	1,390	-	-	-	1,390
Total Special Education Cluster:						(5,771)	-	24,775	(30,358)	-	(12,744)	1,390
No Child Left Behind (N.C.L.B.):												
Title I - Part A	84.010	S010A150030	NCLB-4520-16	\$ 16,578	07/01/16 06/30/17	-	-	9,244	(16,865)	-	(7,621)	-
Title I - Part A	84.010	S010A150030	NCLB-4520-16	\$ 16,870	07/01/15 06/30/16	(3,748)	-	3,748	-	-	-	-
Subtotal						(3,748)	-	12,992	(16,865)	-	(7,621)	-
Title II - Part A	84.367	S367A150029	NCLB-4520-16	\$ 1,006	07/01/16 06/30/17	-	-	-	-	-	-	-
Title II - Part A	84.367	S367A150029	NCLB-4520-16	\$ 1,281	07/01/15 06/30/16	-	-	-	(1,281)	-	(1,281)	-
Subtotal						-	-	-	(1,281)	-	(1,281)	-
<b>Total U.S. Department of Education</b>						(34,410)	-	73,243	(61,464)	-	(24,021)	1,390
<b>Total Expenditures of Federal Awards</b>						\$ (34,410)	\$ -	\$ 73,243	\$ (61,464)	\$ -	\$ (24,021)	\$ 1,390

The accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

**ROOSEVELT SCHOOL DISTRICT**  
**SCHEDULE OF STATE FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Passed Through to Subrecipients	Adjustments/ Repayment of Prior Years' Balances	Balance at June 30, 2017		Memo																
			From	To						(Accounts Receivable)	Unearned Revenue																	
Cumulative Total Expenditures																												
<b>New Jersey Department of Education:</b>																												
<b>General Fund</b>																												
School Choice Aid	495-034-5120-068	289,855	07/01/16	06/30/17	-	289,855	(289,855)	-	-	-	28,959	\$ 289,855																
Equalization Aid	495-034-5120-078	470,385	07/01/16	06/30/17	-	470,385	(470,385)	-	-	-	46,995	470,385																
Security Aid	495-034-5120-084	8,957	07/01/16	06/30/17	-	8,957	(8,957)	-	-	-	895	8,957																
Adjustment Aid	495-034-5120-085	86,214	07/01/16	06/30/17	-	86,214	(86,214)	-	-	-	8,613	86,214																
Special Education Categorical Aid	495-034-5120-089	68,205	07/01/16	06/30/17	-	68,205	(68,205)	-	-	-	6,814	68,205																
Per Pupil Growth Aid	495-034-5120-097	1,360	07/01/16	06/30/17	-	1,360	(1,360)	-	-	-	136	1,360																
PARCC Readiness	495-034-5120-098	1,360	07/01/16	06/30/17	-	1,360	(1,360)	-	-	-	136	1,360																
Professional Learning Community Aid	495-034-5120-101	1,150	07/01/16	06/30/17	-	1,150	(1,150)	-	-	-	115	1,150																
<b>Total State Aid Public</b>																												
Transportation Aid	495-034-5120-014	63,927	07/01/16	06/30/17	-	63,927	(63,927)	-	-	-	6,387	63,927																
Non-Public Transportation Aid	495-034-5120-014	696	07/01/16	06/30/17	-	-	(696)	-	-	-	-	696																
Reimbursed TPAF Social Security Contributions	100-034-5094-003	63,625	07/01/16	06/30/17	(696)	696	(63,625)	-	-	-	(3,113)	63,625																
TPAF - Post Retirement	100-034-5094-003	67,722	07/01/16	06/30/17	(3,404)	3,404	-	-	-	-	-	-																
Medical (Noncash Assistance)	495-034-5094-001	68,426	07/01/16	06/30/17	-	68,426	(68,426)	-	-	-	-	68,426																
TPAF - Pension	495-034-5094-002	82,122	07/01/16	06/30/17	-	82,122	(82,122)	-	-	-	-	82,122																
Contributions (Noncash Assistance)	495-034-5094-002	156	07/01/16	06/30/17	-	156	(156)	-	-	-	-	156																
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	-	07/01/16	06/30/17	-	-	-	-	-	-	-	-																
<b>Total General Fund</b>																												
Capital Projects Fund																												
New Jersey School Development Authority:																												
NISDA - Roosevelt Elementary School Site Drainage	4520-050-14-1002/G2DV	31,127	Completion	Completion	(4,100)	1,206,729	(1,206,438)	-	-	(3,809)	-	95,936																
NISDA - Roosevelt Elementary School Roof Replacement	4520-050-14-1001/G2DU	147,242	Completion	Completion	(29,586)	-	-	-	-	(29,586)	-	-																
NISDA - Roosevelt Elementary School Exterior Stucco Repairs	4520-050-14-1003/G2DW	190,420	Completion	Completion	(131,555)	-	-	-	-	(131,555)	-	-																
<b>Total Capital Projects Fund</b>																												
<b>Total State Financial Assistance</b>																												
State Financial Assistance Programs not subject to Calculation for Major Program Determination:																												
TPAF - Post Retirement																												
Medical (Noncash Assistance)	495-034-5094-001	68,426	07/01/16	06/30/17	-	-	-	-	-	-	-	68,426																
TPAF - Pension	495-034-5094-002	82,122	07/01/16	06/30/17	-	-	-	-	-	-	-	82,122																
Contributions (Noncash Assistance)	495-034-5094-004	156	07/01/16	06/30/17	-	-	-	-	-	-	-	156																
Insurance (Noncash Assistance)	495-034-5094-004	-	07/01/16	06/30/17	-	-	-	-	-	-	-	-																
<b>Total State Financial Assistance subject to Calculation for Major Program Determination</b>																												
<b>Total State Financial Assistance</b>																												
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;"></td> <td style="width: 15%;"></td> <td style="width: 5%; text-align: right;">\$</td> <td style="width: 5%;">(339,527)</td> <td style="width: 5%;">\$</td> <td style="width: 5%;">-</td> <td style="width: 5%;">\$</td> <td style="width: 5%;">1,206,729</td> <td style="width: 5%;">\$</td> <td style="width: 5%;">(1,206,438)</td> <td style="width: 5%;">\$</td> <td style="width: 5%;">-</td> <td style="width: 5%;">\$</td> <td style="width: 5%;">95,936</td> <td style="width: 5%;">\$</td> <td style="width: 5%;">1,206,438</td> </tr> </table>															\$	(339,527)	\$	-	\$	1,206,729	\$	(1,206,438)	\$	-	\$	95,936	\$	1,206,438
		\$	(339,527)	\$	-	\$	1,206,729	\$	(1,206,438)	\$	-	\$	95,936	\$	1,206,438													

The accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

**ROOSEVELT SCHOOL DISTRICT**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Note 1. Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Roosevelt School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**Note 2. Summary of Significant Accounting Policies**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2017. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2017.

**Note 3. Relationship to Basic Financial Statements**

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

**ROOSEVELT SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Note 3. Relationship to Basic Financial Statements (continued)**

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$1,101 for the general fund and \$0 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 1,205,337	\$ 1,205,337
Special Revenue Fund	<u>61,464</u>	<u>-</u>	<u>61,464</u>
Total Awards & Financial Assistance	<u>\$ 61,464</u>	<u>\$ 1,205,337</u>	<u>\$ 1,266,801</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**

The Roosevelt School District had no loan balances outstanding at June 30, 2017.

**ROOSEVELT SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued \_\_\_\_\_ Unmodified \_\_\_\_\_

Internal control over financial reporting:

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

2) Significant deficiency(ies) identified? \_\_\_\_\_ yes  X  none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes  X  no

**Federal Awards**

**SECTION IS N/A - NOT REQUIRED**

Internal control over major programs:

1) Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_ no

2) Significant deficiency(ies) identified? \_\_\_\_\_ yes \_\_\_\_\_ none reported

Type of auditor's report issued on compliance for major programs \_\_\_\_\_

Any audit findings disclosed that are required to be reported  
in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? \_\_\_\_\_ yes \_\_\_\_\_ no

Identification of major programs:

<b><u>CFDA Number(s)</u></b>	<b><u>FAIN Number(s)</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar threshold used to determine Type A programs \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes \_\_\_\_\_ no

**ROOSEVELT SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Section I - Summary of Auditor's Results (continued)**

**State Financial Assistance**

Dollar threshold used to determine Type A programs \$750,000

Auditee qualified as low-risk auditee?  X  yes   no

Internal control over major programs:

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

    2) Significant deficiency(ies) identified?   yes  X  no

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

Any audit findings disclosed that are required to be reported  
in accordance with New Jersey OMB's Circular 15-08?   yes  X  no

Identification of major programs:

**State Grant/Project Number(s)**

**Name of State Program**

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-078	State Aid Public: Equalization Aid
495-034-5120-085	Adjustment Aid
495-034-5120-084	Security Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-068	School Choice Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-5120-098	PARCC Readiness Aid
495-034-5120-101	Professional Learning Community



**ROOSEVELT SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Section II – Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

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

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

**FEDERAL AWARDS**

N/A – No Federal Single Audit in current year.

**STATE FINANCIAL ASSISTANCE**

None.

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

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.