

**Comprehensive Annual  
Financial Report**

of the

**Borough of Roselle School District**

**County of Union**

**Roselle, New Jersey**

**For the Fiscal Year Ended June 30, 2019**

Prepared by

**Borough of Roselle School District  
Business Office**



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***Roselle Public Schools***  
***710 Locust Street***  
***Roselle, New Jersey 07203***  
**Anthony Juskiewicz**  
**Business Administrator/Board Secretary**  
**Phone: 908-298-2040 Ext. 2111**  
**Fax: 908-298-8794**

***Dr. James Baker***  
***Superintendent of Schools***

***Phone: 908-298-2040 Ext. 2010***  
***Fax: 908-298-3353***

December 23, 2019

Honorable President Mrs. Delia Ware-Tibbs and  
Members of the Roselle Borough Board of Education  
710 Locust Street  
Roselle, NJ 07203

Dear President and Members of the Board of Education:

The Comprehensive Annual Financial Report (CAFR) of the Roselle Borough Board of Education for the fiscal year ended June 30, 2019 is submitted by the district's Office of the Superintendent of Schools and the School Business Administrator. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education of the Borough of Roselle, specifically the Superintendent of Schools and the School Business Administrator/Board Secretary.

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 operations of the various funds of the Roselle Public Schools. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included. The district's internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This standard, issued in June 1999, created a revised reporting model of financial information and disclosure. There are two main basic financial statements created by this standard:

1. Statement of Net Assets and
2. Statement of Activities

These two statements tend to answer the questions: “Is the district better or worse off financially than it was in the previous year?” A comparison of net assets should help the reader in answering that question.

Also required as part of the “Required Supplementary Information” by GASB Statement No. 34 is a “Management’s Discussion and Analysis” (MD&A), which allows the district to explain in layman terms its financial position and results of operation of the past fiscal year.

### **REPORT FORMAT**

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The purpose of each section of the CAFR is as follows:

- **Introductory Section**—This section includes this transmittal letter, the district’s organization chart and a list of principal officials. This section is intended to familiarize the reader with the organizational structure of the school district, the nature and scope of the services it provides, and the specifics of its legal operating environment. It is primarily designed for the taxpayer.
- **Financial Section**—This includes the independent auditor’s report, the Management’s Discussion and Analysis (MD&A), basic financial statements, supplemental information and the combining and individual fund schedules. It is primarily designed for oversight and legislative bodies.

Generally accepted accounting principles (GAAP) requires that the management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter is designed to complement the MD&A and should be read in conjunction with it. The MD&A of the Roselle Public Schools can be found immediately following the report of the independent auditors.

- **Statistical Section**—Contains substantial financial information, but presents tables that differ from financial statements in that they present non-accounting data, cover several years, and are designed to reflect social and economic data and financial and fiscal trends, as well as the fiscal capacity of the district. Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant years.

- **Financial Trends J-1 to J-5**

These schedules contain trend information to help the reader understand how the Roselle Public Schools' financial performance and well-being have changed over time.

- **Revenue Capacity J-6 to J-9**  
These schedules contain information to help the reader assess the Roselle Public Schools' most significant local revenue source, the property tax.
- **Debt Capacity J-10 to J-13**  
These schedules present information to help the reader assess the Roselle Public Schools' current levels of outstanding debt and the government's ability to issue additional debt in the future.
- **Demographic and Economic Information J-14 and J-15**  
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Roselle Public Schools' financial activities take place.
- **Operating Information J-16 to J-20**  
These schedules contain service and infrastructure data to help the reader understand how the information in the Roselle Public Schools' financial report relates to the services the government provides and the activities it performs.
- **Single Audit Section**—The district is required to undergo an annual single audit in conformity with the provisions of the Federal Single Audit Act and applicable US Office of Management and Budget Circulars; and the applicable State of New Jersey OMB Circulars.

Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, is included in the Single Audit Section of this report.

This section includes independent auditors' reports on compliance and internal control, schedules of expenditures for federal and state grants, notes to the schedules of expenditures of federal and state grants, schedule of findings and questioned costs, and a summary schedule of prior audit findings.

## **REPORTING ENTITY AND ITS SERVICES**

The Roselle Borough School District is an independent reporting entity within the criteria adopted by the GASB. All funds and account groups of the District are included in this report. The Roselle Borough Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade level K through 12. These include regular as well as special education for handicapped youngsters beginning with Pre-K.

The following details the changes in the student enrollment of the District over the last ten years:

<u>Fiscal Year</u>	<u>Actual Student Enrollment</u>	<u>% of Change</u>
2018/2019	2,897	1.01
2017/2018	2,870	1.04
2016/2017	2,764	1.02
2015/2016	2,731	1.56
2014/2015	2,689	(2.21)
2013/2014	2,750	2.58
2012/2013	2,679	(2.29)
2011/2012	2,742	(4.59)
2010/2011	2,874	0.03
2009/2010	2,873	(4.39)
2008/2009	3,005	5.48
2007/2008	2,849	0.07
2006/2007	2,847	0.14
2005/2006	2,843	(1.25)

**ORGANIZATION OF THE BOARD**

The Roselle Board of Education has nine (9) members that are elected for three (3) year overlapping terms. The members of the Board are residents of the City of Roselle and vote on all matters before the Board of Education. The Board of Education is annually organized.

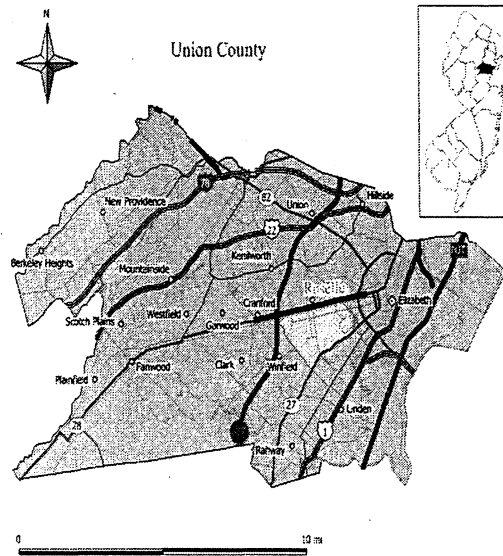
All Board of Education meetings are public. The Board holds regularly scheduled public meetings twice a month.

The Board of Education provides a full range of free public educational services appropriate to grade levels prekindergarten through grade 12 for residents of the City of Roselle. These educational services include regular and special education to address the educational needs of children with disabilities and handicaps.

## **BOROUGH OF ROSELLE**

The Borough of Roselle is located in Union County, New Jersey. Its 2.65 square miles of land area contain a mix of light industry, stores and businesses as well as residential land use .

According to the U.S. Census Bureau the 2017 population of the Borough of Roselle was estimated at 21,551 with a diverse racial and ethnic demographic. There are many churches of a variety of faiths.



## **INTERNAL ACCOUNTING CONTROLS**

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

- (1) The cost of a control should not exceed the benefits likely to be derived: and
- (2) The valuation costs and benefits require estimates and judgments by management.

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

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

## **BUDGETARY CONTROLS**

In addition to internal accounting controls, the District maintains budgetary controls. The object of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2019.

The New Jersey Department of Education has prescribed forms and formats for the presentation of the annual school budget. The Board of Education adheres to Department of Education requirements for budget development, presentation and adoption.

## **ACCOUNTING SYSTEM AND REPORTS**

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

## **CASH MANAGEMENT**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

## **RISK MANAGEMENT**

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

## **OTHER INFORMATION**

The state statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Suplee, Clooney & Company was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of single audit in conformity with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid."

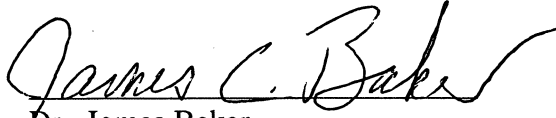
The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit Section of this report.

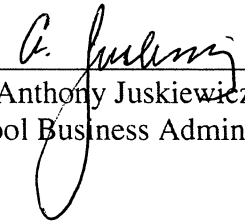


**ACKNOWLEDGEMENTS**

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

Respectfully submitted,

  
Dr. James Baker  
Interim Superintendent of Schools

  
Mr. Anthony Juskiewicz  
School Business Administrator

**Borough of Roselle School District  
Union County, New Jersey**

Roster of Officials

June 30, 2019

**Members of the Board of Education**

**Term Expires**

Delia Ware-Tibbs, President	2021
Frances Teabout, Vice-President	2021
Angela Alvey-Wimbush	2019
Jeffrey Bryan	2021
Johnathan Davis	2020
Rupert Pond	2019
Renaee Smith	2019
Johnathan Spearman	2019
Richard Villeda	2019

**Other Officials**

Dr. James Baker, Superintendent of Schools  
Dr. Lisette Gonzalez-Perez, Assistant Superintendent for Curriculum and Instruction  
Anthony Juskiewicz, School Business Administrator  
Brian McCarthy, Interim Treasurer of School Monies

**Borough of Roselle School District  
Union County, New Jersey**

Independent Auditors and Advisors

**Independent Auditors**

Suplee, Clooney & Company  
308 E. Broad St, Westfield, NJ 07090  
(908) 789-9300

**Attorneys**

Roth D'Aquanni, LLC  
150 Morris Avenue, Suite 206  
Springfield, NJ 07081

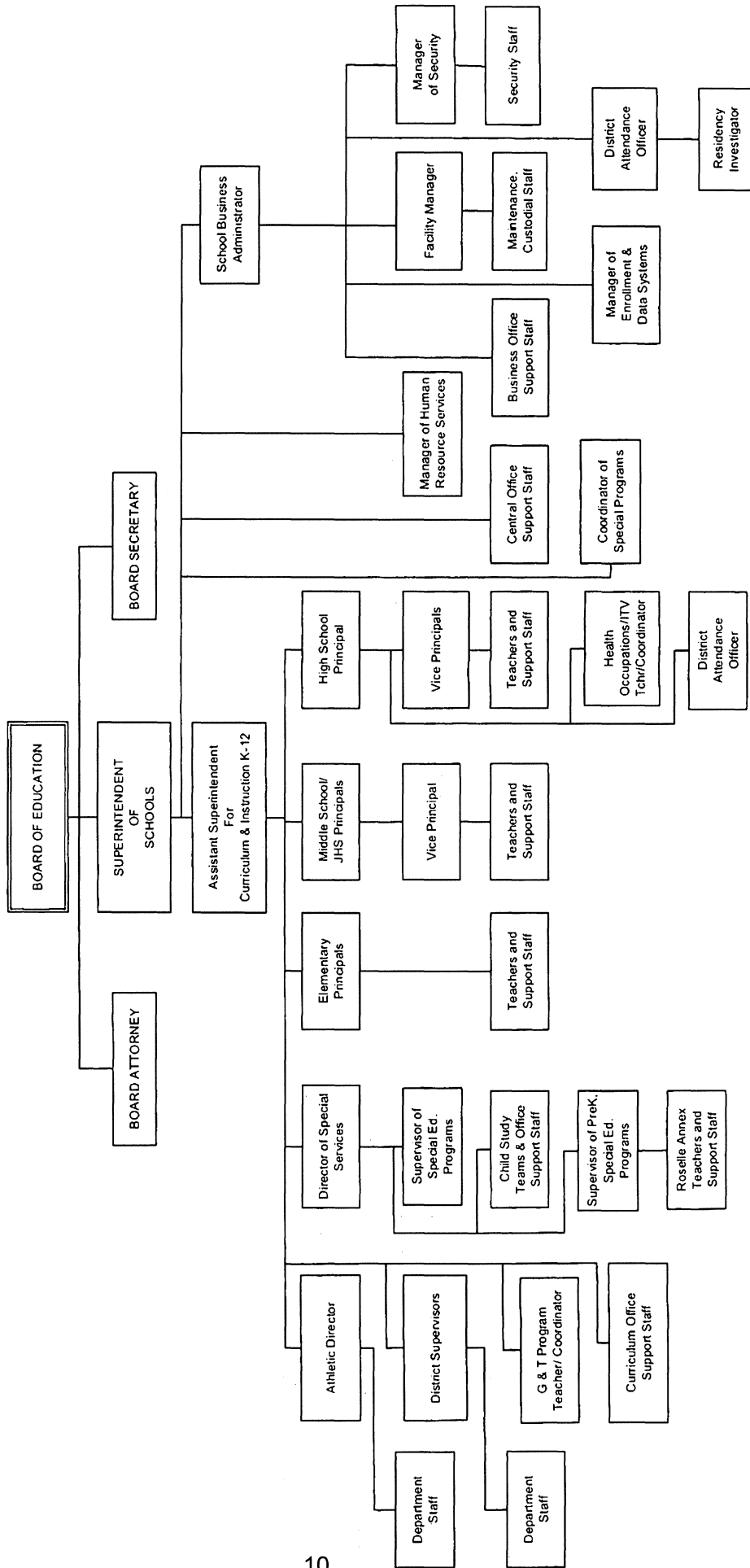
Weiner Lesniak, LLP  
629 Parsippany Road  
Parsippany, NJ 07054

**Official Depositories**

TD Bank  
Roselle Savings Bank

ROSELLE PUBLIC SCHOOLS  
ROSELLE, NEW JERSEY

DISTRICT ORGANIZATIONAL CHART



**FINANCIAL SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Borough of Roselle School District  
County of Union  
Roselle, New Jersey 07203

### ***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 Borough of Roselle School District, County of Union, New Jersey as of and for the year ended June 30, 2019, 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

## SUPLEE, CLOONEY & COMPANY

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

### ***Opinion***

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 Borough of Roselle School District, County of Union, New Jersey as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedule related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibit M-1 and M-2 are 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.

# SUPLEE, CLOONEY & COMPANY

## *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Roselle School District's basic financial statements. The accompanying supplementary information schedules such as the introductory section, combining statements and individual fund financial statements, the statistical section and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, and the schedule 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 other information, such as the introductory and statistical sections, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with Government Auditing Standards, we have also issued our report dated December 23, 2019 on our consideration of the Borough of Roselle 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 effectiveness of the Borough of Roselle School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough of Roselle School District's internal control over financial reporting and compliance.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

December 23, 2019



**REQUIRED SUPPLEMENTARY INFORMATION – Part I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(UNAUDITED)**

**BOROUGH OF ROSELLE SCHOOL DISTRICT  
ROSELLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

The Management's Discussion and Analysis of the Borough of Roselle School District (the "District") offers readers of the District's financial statements a narrative overview of the financial activities for the fiscal year ended June 30, 2019. The intent of this discussion is to look at the District's financial performance as a whole; therefore readers should also review the transmittal letter at the front of this report, along with the District's financial statements and notes to the financial statements to enhance their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information (RSI) specified in the Governmental Accounting Standards Board's (GASB) Statement Number 34, Basic Financial Statements and Management's Discussion and Analysis of State and Local Governments issued in June 1999. Certain comparative information between the current fiscal year (2018-2019) and the prior fiscal year (2017-2018) is required to be presented in the MD&A.

### **Financial Highlights**

- Revenue from governmental activities accounted for \$66,097,945.41 of school district revenue. The other \$2,055,935.57 of revenue was generated by the business type activities.
- The District's total net position is \$13,850,415.93.

### **Overview of the Financial Statements**

This Comprehensive Annual Financial Report ("CAFR") consists of three parts: Management's Discussion and Analysis (this section), The Basic Financial Statements, and Required Supplementary Information. The Basic Financial Statements include two kinds of statements that present different views of the District, District-wide Financial Statements and Fund Financial Statements.

- District-wide Financial Statements provide both short-term and long-term information about the District's overall financial status.
- Fund Financial Statements report the District's operations in more detail than the District-wide statements on individual parts of the District, the Governmental Funds, Proprietary Funds and Fiduciary Funds.

**BOROUGH OF ROSELLE SCHOOL DISTRICT  
ROSELLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

- Governmental Funds Statements tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- Proprietary Funds Statements offer short and long-term financial information about the activities the District operates like a business, which include food services.
- Fiduciary Funds Statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The notes to financial statements are also included, which are an integral part of the financial statements. The information in the notes provides detailed data on the District's financial operations.

Required supplementary information further explains and supports the financial statements with a comparison of the District's budget for the year. Exhibit A-1 reflects how the various parts of this annual report are arranged and related to one another.

**District-wide Financial Statements**

The District-wide Financial Statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net positions includes all of the District's assets and liabilities. All current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or disbursed.

The District-wide Financial Statements report the District's net positions and how they have changed. Net positions, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net positions are an indicator of whether its financial position has improved or diminished. The causes of this change may be a result of many factors, some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the District-wide Financial Statements, the District's activities are divided into two categories, governmental and business-type activities.

- Governmental activities - All of the District's programs and services are reported here including, but not limited to regular and special education instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. Property taxes and state formula aid finance most of these activities.
- Business-type activities - These services are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. District charges fees to help it cover the costs of certain services it provided. The food service activities (i.e. milk, juice, and water sales) are reported as business activities.

**BOROUGH OF ROSELLE SCHOOL DISTRICT  
ROSELLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on major funds. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law and by bond covenants. The District establishes other funds to control and manage money for particular purposes (i.e. long-term debt) or to show that it is properly using certain restricted revenues (i.e. entitlement grants).

The District maintains three financial funds:

- **Governmental Funds:** The District's activities reported in governmental funds focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting that measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the government-wide Statement of Net Position and Statement of Activities) and governmental funds statements is reconciled in the financial statements.
- **Proprietary Funds:** Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide financial statements. The District's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flow.
- **Fiduciary Funds:** The District is the trustee, or fiduciary, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

**BOROUGH OF ROSELLE SCHOOL DISTRICT  
ROSELLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

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

The District's combined net positions have decreased from the 2017-2018 fiscal year. The net positions from governmental funds decreased \$399,733.72. Net positions from business-type activities increased \$29,974.79. Table A-1 below reflects the District's net positions as a whole. Table A-2 reflects the changes in net positions from operating results.

**Table A-1  
Condensed Statement of Net Positions**

	Governmental Activities		Business-Type Activities		Total School District		Total
	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018	Percentage Change
Current and							
Other Assets	\$12,550,937.94	\$12,168,878.53	\$1,169,738.88	\$173,692.61	\$13,720,676.82	\$12,342,571.14	11.17%
Capital Assets	16,748,866.92	17,771,960.16	176,452.18	162,631.06	16,925,319.10	17,934,591.22	-5.63%
<b>Total Assets</b>	<b>29,299,804.86</b>	<b>29,940,838.69</b>	<b>1,346,191.06</b>	<b>336,323.67</b>	<b>30,645,995.92</b>	<b>30,277,162.36</b>	<b>1.22%</b>
Deferred Outflows							
Pension Related	3,199,847.00	4,421,007.00			3,199,847.00	4,421,007.00	-27.62%
<b>Total Deferred Outflows</b>	<b>3,199,847.00</b>	<b>4,421,007.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,199,847.00</b>	<b>4,421,007.00</b>	<b>-27.62%</b>
Long-Term							
Liabilities	12,739,634.60	15,164,838.32			12,739,634.60	15,164,838.32	-15.99%
Short-Term							
Liabilities	2,090,070.12	2,228,154.51	1,042,086.27	62,193.67	3,132,156.39	2,290,348.18	36.75%
<b>Total Liabilities</b>	<b>14,829,704.72</b>	<b>17,392,992.83</b>	<b>1,042,086.27</b>	<b>62,193.67</b>	<b>15,871,790.99</b>	<b>17,455,186.50</b>	<b>-9.07%</b>
Deferred Inflows							
Pension Related	4,123,636.00	3,022,808.00			4,123,636.00	3,022,808.00	36.42%
<b>Total Deferred Inflows</b>	<b>4,123,636.00</b>	<b>3,022,808.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,123,636.00</b>	<b>3,022,808.00</b>	<b>36.42%</b>
Net Positions:							
Net Investment							
In Capital							
Assets	16,615,560.68	17,449,347.20	176,452.18	162,631.06	16,792,012.86	17,611,978.26	-4.66%
Restricted	7,693,000.84	10,545,070.92			7,693,000.84	10,545,070.92	-27.05%
Unrestricted (Deficit)	(10,762,250.38)	(14,048,373.26)	127,652.61	111,498.94	(10,634,597.77)	(13,936,874.32)	-23.69%
<b>Total Net</b>	<b>\$13,546,311.14</b>	<b>\$13,946,044.86</b>	<b>\$304,104.79</b>	<b>\$274,130.00</b>	<b>\$13,850,415.93</b>	<b>\$14,220,174.86</b>	<b>-2.60%</b>

**BOROUGH OF ROSELLE SCHOOL DISTRICT  
ROSELLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Table A-2  
Changes in Net Positions from Operating Results**

	<u>FY 2019</u>	<u>FY 2018</u>
Revenue:		
Program Revenue:		
Charges for Services	\$407,911.72	\$405,570.56
Operating Grants and Contributions	17,643,587.02	20,744,866.12
General Revenue:		
Property Taxes	24,147,250.00	24,027,114.00
Federal and State Aid	25,769,748.17	24,903,124.45
Other	185,384.07	541,183.43
	<hr/>	<hr/>
Total Revenue	68,153,880.98	70,621,858.56
	<hr/>	<hr/>
Expenses/Indirect Allocations:		
Instruction	40,640,919.88	44,366,068.43
Student & Instructional Related Services	10,558,092.63	10,033,868.32
Administrative and Business	6,627,826.09	7,310,624.27
Maintenance & Operations	6,113,165.38	6,526,363.05
Transportation	1,983,841.95	1,306,425.62
Other	2,599,793.98	2,715,696.67
	<hr/>	<hr/>
Total Expenses	68,523,639.91	72,259,046.36
	<hr/>	<hr/>
Increase/(Decrease) in Net Positions	<u>(\$369,758.93)</u>	<u>(\$1,637,187.80)</u>

**Sources of Revenue for Fiscal Year 2019**

The District's total revenue for the 2018-2019 school year was \$68,153,880.98 as reflected in Table A-3 below. Property taxes accounted for 35.44 percent of the total revenue with the other 64.56 percent consisting of federal & state aid, charges for service, operating grants and contributions, and miscellaneous sources.

**BOROUGH OF ROSELLE SCHOOL DISTRICT  
ROSELLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Table A-3  
Sources of Revenue**

<u>Sources of Revenue</u>	<u>FY 2019</u>		<u>FY 2018</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Property Taxes	\$24,147,250.00	35.44%	\$24,027,114.00	34.03%
Operating Grants & Contributions	17,643,587.02	25.89%	20,744,866.12	29.37%
Other Sources	185,384.07	0.27%	541,183.43	0.77%
Federal & State Aid Unrestricted	25,769,748.17	37.81%	24,903,124.45	35.26%
Charges for Services	407,911.72	0.60%	405,570.56	0.57%
	<u>\$68,153,880.98</u>	<u>100.00%</u>	<u>\$70,621,858.56</u>	<u>100.00%</u>

**Expenses & Indirect Costs Allocated for the Fiscal Year 2019**

The total expenditures for the 2018-2019 fiscal year for all programs and services were \$68,523,639.91. Table A-4 below summarizes these program costs. The District's expenses are predominantly related to instructing, providing services and transporting students, grades kindergarten through twelve, which accounts for 77.63 percent of the total District costs. Administrative and business expenses account for the costs of the Office of the Superintendent of Schools, the Business Office, and the Principal's Offices in both school buildings. Maintenance and operations account for the costs of keeping the school buildings and grounds safe, clean and in good operating condition, and includes all the utility costs related to the school facilities. Other costs include interest on long-term debt, unallocated depreciation expense and the costs of the business-type activities of the proprietary funds.

**Table A-4  
Expenses & Indirect Costs Allocated**

<u>Expense Category</u>	<u>FY 2019</u>		<u>FY 2018</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	40,640,919.88	59.32%	44,366,068.43	61.41%
Student & Instr. Related Services	10,558,092.63	15.41%	10,033,868.32	13.89%
Administrative and Business	6,627,826.09	9.67%	7,310,624.27	10.12%
Maintenance & Operations	6,113,165.38	8.92%	6,526,363.05	9.03%
Transportation	1,983,841.95	2.90%	1,306,425.62	1.81%
Other	2,599,793.98	3.79%	2,715,696.67	3.76%
	<u>\$68,523,639.91</u>	<u>100.00%</u>	<u>\$72,259,046.36</u>	<u>100.00%</u>



**BOROUGH OF ROSELLE SCHOOL DISTRICT  
ROSELLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Governmental Activities**

Table A-5 presents the net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs) of six major District activities: instruction, student and instructional services, administration and business, maintenance and operations, transportation, and other. The net cost shows the financial burden placed on the District's taxpayers and the state by each of these functions.

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

<u>Function/Program</u>	<u>FY 2019</u>		<u>FY 2018</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$28,977,135.99	57.37%	\$30,209,856.37	59.10%
Student & Instruction Related Services	7,518,492.81	14.89%	6,934,017.95	13.57%
Administrative and Business	5,455,324.56	10.80%	5,568,722.51	10.90%
Maintenance & Operations	5,993,487.45	11.87%	6,271,921.04	12.27%
Transportation	1,983,841.95	3.93%	1,306,425.62	2.56%
Other	573,833.20	1.14%	817,666.19	1.60%
	<u>\$50,502,115.96</u>	<u>100.00%</u>	<u>\$51,108,609.68</u>	<u>100.00%</u>

**General Fund Budgeting Highlights**

The District's budget is prepared according to New Jersey Statutes and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting.

Over the course of the year, the Board of Education approved revisions to the general fund budget as needed. These budget amendments were necessary for the following reasons:

- Realign budgeted salary accounts as needed to account for staff transfers to various programs.
- Realigned appropriations in accordance with the prescribed chart of accounts as modified by the comprehensive educational improvement and financing act.
- Transferred from unexpended appropriations to purchase teaching materials and equipment to meet various program needs.

**BOROUGH OF ROSELLE SCHOOL DISTRICT  
ROSELLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Capital Assets**

Table A-6 reflects the comparative balances of capital assets net of depreciation. The detail of the changes in capital assets is reflected in Note 3 to the financial statements.

**Table A-6  
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Total
	<u>FY 2019</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2018</u>	<u>Change</u>
Land and Site Improvements	\$104,387.76	\$115,401.35			\$104,387.76	\$115,401.35	-9.544%
Building and Building Improvements	15,197,530.80	16,255,918.37			15,197,530.80	16,255,918.37	-6.511%
Machinery and Equipment	<u>1,446,948.36</u>	<u>1,400,640.44</u>	<u>\$176,452.18</u>	<u>\$162,631.06</u>	<u>1,623,400.54</u>	<u>1,563,271.50</u>	<u>3.846%</u>
<b>Total Assets</b>	<b><u>\$16,748,866.92</u></b>	<b><u>\$17,771,960.16</u></b>	<b><u>\$176,452.18</u></b>	<b><u>\$162,631.06</u></b>	<b><u>\$16,925,319.10</u></b>	<b><u>\$17,934,591.22</u></b>	<b><u>-5.628%</u></b>

**BOROUGH OF ROSELLE SCHOOL DISTRICT  
ROSELLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2019  
UNAUDITED**

**Debt Administration**

At June 30, 2019, the District had \$12,739,634.60 of outstanding long-term debt consisting of compensated absences, capital leases, and net pension liability. The District will continue to pay down its debt, as the obligations are due. Table A-7 reflects the comparison of outstanding debt for the past two fiscal years. More information of the District's long-term debt is presented in Note 4 to the financial statements.

**Table A-7  
Outstanding Long-term Debt**

	Total School Debt		Total Percentage Change
	FY 2019	FY 2018	
Compensated Absences	\$1,241,875.36	\$1,241,875.36	0.00%
Capital Leases	133,306.24	322,612.96	---
Net Pension Liability	11,364,453.00	13,600,350.00	-16.44%
	<u>\$12,739,634.60</u>	<u>\$15,164,838.32</u>	<u>-15.99%</u>

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Business Administrator/Board Secretary's office, Roselle Borough School District, 710 Locust Street, Roselle, New Jersey 07203. Also, please visit our website to learn more about our School District [www.roselleschools.org](http://www.roselleschools.org).

**BASIC FINANCIAL STATEMENTS**

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2019.

**DISTRICT-WIDE FINANCIAL STATEMENTS**

The statement of net positions and the statement of activities display information about the District. These statements include the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF NET POSITIONS  
JUNE 30, 2019

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,704,626.03	\$ 800,978.45	\$ 5,505,604.48
Receivables, net	5,029,663.37	280,222.48	5,309,885.85
Due from other funds	1,454,507.12		1,454,507.12
Inventory		88,537.95	88,537.95
Restricted assets:			
Restricted cash and cash equivalents	1,362,141.42		1,362,141.42
Capital assets:			
Other capital assets, net	16,748,866.92	176,452.18	16,925,319.10
Total assets	<u>\$ 29,299,804.86</u>	<u>\$ 1,346,191.06</u>	<u>\$ 30,645,995.92</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Related to pensions	<u>\$ 3,199,847.00</u>	<u>\$</u>	<u>\$ 3,199,847.00</u>
Total deferred outflow of resources	<u>\$ 3,199,847.00</u>	<u>\$</u>	<u>\$ 3,199,847.00</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,959,960.23	\$	\$ 1,959,960.23
Unearned revenue	24,213.89	24,119.73	48,333.62
Due to other funds		1,017,966.54	1,017,966.54
Payable to state government	105,896.00		105,896.00
Noncurrent liabilities:			
Due within one year:			
Capital leases payable	133,306.24		133,306.24
Due beyond one year:			
Compensated absences payable	1,241,875.36		1,241,875.36
Net pension liability	11,364,453.00		11,364,453.00
Total liabilities	<u>\$ 14,829,704.72</u>	<u>\$ 1,042,086.27</u>	<u>\$ 15,871,790.99</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Related to pensions	<u>\$ 4,123,636.00</u>	<u>\$</u>	<u>\$ 4,123,636.00</u>
Total deferred inflow of resources	<u>\$ 4,123,636.00</u>	<u>\$</u>	<u>\$ 4,123,636.00</u>
Net investment in capital assets	\$ 16,615,560.68	\$ 176,452.18	\$ 16,792,012.86
Restricted for:			
Capital projects	3,373,459.02		3,373,459.02
Other purposes	4,319,541.82		4,319,541.82
Unrestricted (Deficit)	<u>(10,762,250.38)</u>	<u>127,652.61</u>	<u>(10,634,597.77)</u>
Total net positions	<u>\$ 13,546,311.14</u>	<u>\$ 304,104.79</u>	<u>\$ 13,850,415.93</u>

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

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
JUNE 30, 2019

FUNCTIONS/PROGRAMS	EXPENSES	INDIRECT EXPENSES ALLOCATION	CHARGES FOR SERVICES	PROGRAM REVENUES OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION				
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL		
Governmental Activities:									
Instruction:									
Regular	\$ 14,724,096.91	\$ 10,648,583.86	\$	\$ 6,427,252.06	\$ (18,945,428.71)	\$	\$ (18,945,428.71)		
Special education	9,061,383.02	4,347,002.47		4,778,125.65	(8,630,259.84)		(8,630,259.84)		
Other	979,116.02	880,737.60		458,406.18	(1,401,447.44)		(1,401,447.44)		
Support services:									
Student and instruction related services	7,420,978.66	3,137,113.97		3,039,599.82	(7,518,492.81)		(7,518,492.81)		
General administrative services	1,220,012.66	390,622.41		117,777.01	(1,492,858.06)		(1,492,858.06)		
School administrative services	1,878,586.62	1,767,516.98		1,006,795.42	(2,639,308.18)		(2,639,308.18)		
Central services	470,558.14	282,348.71		24,072.10	(728,834.75)		(728,834.75)		
Administration information technology	337,108.59	281,071.98		23,857.00	(594,323.57)		(594,323.57)		
Plant operations and maintenance	5,263,338.97	849,826.41		119,677.93	(5,993,487.45)		(5,993,487.45)		
Student transportation services	1,844,375.60	139,466.35			(1,983,841.95)		(1,983,841.95)		
Unallocated benefits	21,329,626.79	(21,329,626.79)							
Unallocated depreciation	1,394,663.95	(1,394,663.95)							
Special schools	7,552.20				(7,552.20)		(7,552.20)		
Charter schools	566,281.00				(566,281.00)		(566,281.00)		
Total governmental activities	\$ 66,497,679.13	\$	\$	\$ 15,995,563.17	\$ (50,502,115.96)	\$	\$ (50,502,115.96)		
Business-type activities:									
Food Service Fund	2,025,960.78		405,918.57	1,648,023.85		27,981.64	27,981.64		
Community School			1,993.15			1,993.15	1,993.15		
Total business-type activities	\$ 2,025,960.78	\$	\$ 407,911.72	\$ 1,648,023.85	\$	\$ 29,974.79	\$ 29,974.79		
Total primary government	\$ 68,523,639.91	\$	\$ 407,911.72	\$ 17,643,587.02	\$ (50,502,115.96)	\$	\$ (50,472,141.17)		
General Revenues:									
Taxes:									
Property taxes - general					\$ 24,147,250.00	\$	\$ 24,147,250.00		
Federal and state aid not restricted					25,769,748.17		25,769,748.17		
Miscellaneous income					185,384.07		185,384.07		
Total general revenues					\$ 50,102,382.24	\$	\$ 50,102,382.24		
Change in net position					\$ (399,733.72)	\$	\$ (399,733.72)		
Net position - beginning (as restated)					\$ 13,946,044.86	\$	\$ 274,130.00	\$	\$ 14,220,174.86
Net position - ending					\$ 13,546,311.14	\$	\$ 304,104.79	\$	\$ 13,850,415.93

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

## **MAJOR FUND FINANCIAL STATEMENTS**

The Individual fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.



BOROUGH OF ROSELLE SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2019

	<u>GENERAL</u> <u>FUND</u>	<u>SPECIAL</u> <u>REVENUE</u> <u>FUND</u>	<u>CAPITAL</u> <u>PROJECTS</u> <u>FUND</u>	<u>TOTAL</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>
<b>ASSETS AND OTHER DEBITS:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 4,251,308.31	\$ 784,853.05	\$ 1,030,606.09	\$ 6,066,767.45
Accounts receivable:				
State	268,246.65		2,435,624.42	2,703,871.07
Federal	642,837.12	1,642,444.18		2,285,281.30
Other		40,511.00		40,511.00
Interfund	<u>3,848,003.69</u>			<u>3,848,003.69</u>
<b>Total assets</b>	<b>\$ <u>9,010,395.77</u></b>	<b>\$ <u>2,467,808.23</u></b>	<b>\$ <u>3,466,230.51</u></b>	<b>\$ <u>14,944,434.51</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,264,675.57	\$ 95,898.66	\$	\$ 1,360,574.23
Interfunds payable		2,300,725.08	92,771.49	2,393,496.57
Payable to other governments		105,896.00		105,896.00
Unearned revenue		<u>24,213.89</u>		<u>24,213.89</u>
<b>Total liabilities</b>	<b>\$ <u>1,264,675.57</u></b>	<b>\$ <u>2,526,733.63</u></b>	<b>\$ <u>92,771.49</u></b>	<b>\$ <u>3,884,180.69</u></b>
<b>Fund balances:</b>				
<b>Restricted for:</b>				
Capital reserve account	\$ 1,262,141.42	\$	\$	\$ 1,262,141.42
Emergency reserve account	100,000.00			100,000.00
Excess surplus-current year	257,400.40			257,400.40
Excess surplus designated for subsequent years expenditures	2,700,000.00			2,700,000.00
Capital Projects Fund			3,373,459.02	3,373,459.02
<b>Assigned for:</b>				
Year-end encumbrances	2,435,612.90			2,435,612.90
<b>Unassigned:</b>				
General fund	990,565.48			990,565.48
Special revenue fund (deficit)		<u>(58,925.40)</u>		<u>(58,925.40)</u>
<b>Total fund balances</b>	<b>\$ <u>7,745,720.20</u></b>	<b>\$ <u>(58,925.40)</u></b>	<b>\$ <u>3,373,459.02</u></b>	<b>\$ <u>11,060,253.82</u></b>
<b>Total liabilities and fund balances</b>	<b>\$ <u>9,010,395.77</u></b>	<b>\$ <u>2,467,808.23</u></b>	<b>\$ <u>3,466,230.51</u></b>	<b>\$ <u>14,944,434.51</u></b>

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

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2019

Total Fund Balances (Brought Forward)	\$	11,060,253.82
Amounts Reported for Governmental Activities in the Statement of Net Assets (A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Cost of Assets	\$ 29,906,955.00	
Accumulated Depreciation	<u>(13,158,088.08)</u>	16,748,866.92
Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Net pension liability	\$ (11,364,453.00)	
Capital leases payable	(133,306.24)	
Compensated absences payable	<u>(1,241,875.36)</u>	(12,739,634.60)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Deferred outflows:		
Pension related		3,199,847.00
Deferred inflows:		
Pension related		(4,123,636.00)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Account payable - pension related		<u>(599,386.00)</u>
Net Positions of Governmental Activities	\$	<u><u>13,546,311.14</u></u>

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

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>				
Local sources:				
Local tax levy	\$ 24,147,250.00	\$	\$	\$ 24,147,250.00
Miscellaneous revenues	185,384.07	40,643.94		226,028.01
Total revenues-local sources	\$ 24,332,634.07	\$ 40,643.94	\$	\$ 24,373,278.01
State sources	\$ 32,705,899.27	\$ 1,104,693.28	\$	\$ 33,810,592.55
Federal sources	198,747.38	2,619,977.18		2,818,724.56
Total revenues	\$ 57,237,280.72	\$ 3,765,314.40	\$	\$ 61,002,595.12
<b>EXPENDITURES:</b>				
Current expense:				
Instruction:				
Regular	\$ 13,977,664.71	\$	\$	\$ 13,977,664.71
Special education	5,744,758.82	2,508,833.55		8,253,592.37
Other instruction	998,046.69			998,046.69
Support services:				
Tuition	1,446,571.32			1,446,571.32
Student and instruction related services	6,180,843.98	1,259,065.35		7,439,909.33
General administrative services	1,238,943.33			1,238,943.33
School administrative services	1,897,517.29			1,897,517.29
Central services	489,488.81			489,488.81
Administration information technology	356,039.26			356,039.26
Plant operations and maintenance	5,282,269.64			5,282,269.64
Student transportation services	1,863,306.29			1,863,306.29
Employee benefits	16,055,802.79			16,055,802.79
Capital outlay	517,083.58			517,083.58
Special Schools	7,552.20			7,552.20
Charter Schools	566,281.00			566,281.00
Total expenditures	\$ 56,622,169.71	\$ 3,767,898.90	\$	\$ 60,390,068.61
Excess (deficiency) of revenues over (under) expenditures	\$ 615,111.01	\$ (2,584.50)	\$	\$ 612,526.51
Other financing sources (uses):				
Operating transfer out	\$	\$	\$ (202,577.92)	\$ (202,577.92)
Operating transfer in	202,577.92			202,577.92
SDA Grants Canceled			(41,002.71)	(41,002.71)
Total financing sources(uses):	\$ 202,577.92	\$	\$ (243,580.63)	\$ (41,002.71)
Net change in fund balances	\$ 817,688.93	\$ (2,584.50)	\$ (243,580.63)	\$ 571,523.80
Fund balances, July 1, 2018	\$ 6,928,031.27	\$ (56,340.90)	\$ 3,617,039.65	\$ 10,488,730.02
Fund balances, June 30, 2019	\$ 7,745,720.20	\$ (58,925.40)	\$ 3,373,459.02	\$ 11,060,253.82

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

BOROUGH OF ROSELLE 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, 2019

Total net change in fund balances - governmental funds (from B-2)	\$	571,523.80
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Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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

Depreciation expense	\$ (1,394,663.95)	
Capital outlays (Net, excl. uncapitalized outlays)	<u>371,570.71</u>	(1,023,093.24)

Repayment of long-term debt 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.

Payment of capital leases payable		189,306.72
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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.

District pension contributions	\$ 574,111.00	
Less: Pension expense	<u>(711,582.00)</u>	<u>(137,471.00)</u>

Change in net position of governmental activities	\$	<u><u>(399,733.73)</u></u>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

**OTHER FUNDS**

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
JUNE 30, 2019

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>COMMUNITY SCHOOL</u>	<u>TOTAL</u>
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 798,900.93	\$ 2,077.52	\$ 800,978.45
Accounts receivable:			
State	1,624.36		1,624.36
Federal	127,216.42		127,216.42
Other	151,381.70		151,381.70
Inventories	88,537.95		88,537.95
	<u>1,167,661.36</u>	<u>2,077.52</u>	<u>1,169,738.88</u>
Total current assets	\$ 1,167,661.36	\$ 2,077.52	\$ 1,169,738.88
Noncurrent assets:			
Furniture, machinery & equipment	\$ 290,093.11		\$ 290,093.11
Less accumulated depreciation	<u>(113,640.93)</u>		<u>(113,640.93)</u>
	<u>176,452.18</u>		<u>176,452.18</u>
Total noncurrent assets	\$ 176,452.18		\$ 176,452.18
	<u>1,344,113.54</u>	<u>2,077.52</u>	<u>1,346,191.06</u>
Total assets	\$ 1,344,113.54	\$ 2,077.52	\$ 1,346,191.06
<b>LIABILITIES:</b>			
Current liabilities:			
Unearned revenue	\$ 24,119.73		\$ 24,119.73
Interfunds payable	<u>1,017,966.54</u>		<u>1,017,966.54</u>
	<u>1,042,086.27</u>		<u>1,042,086.27</u>
Total current liabilities	\$ 1,042,086.27		\$ 1,042,086.27
	<u>1,042,086.27</u>		<u>1,042,086.27</u>
Total liabilities	\$ 1,042,086.27		\$ 1,042,086.27
<b>NET POSITION:</b>			
Net Investments in capital assets	\$ 176,452.18		\$ 176,452.18
Unrestricted	<u>125,575.09</u>	<u>2,077.52</u>	<u>127,652.61</u>
	<u>302,027.27</u>	<u>2,077.52</u>	<u>304,104.79</u>
Total net position	\$ 302,027.27	\$ 2,077.52	\$ 304,104.79

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

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD SERVICE</u>	<u>COMMUNITY SCHOOL</u>	<u>TOTAL</u>
<b>OPERATING REVENUES:</b>			
Charges for services:			
Sales-Reimbursable	\$ 361,267.53	\$	\$ 361,267.53
Sales-Nonreimbursable	44,651.04		44,651.04
Miscellaneous Revenue		1,993.15	1,993.15
Total operating revenues	<u>\$ 405,918.57</u>	<u>\$ 1,993.15</u>	<u>\$ 407,911.72</u>
<b>OPERATING EXPENSES:</b>			
Cost of sales-Reimbursable	\$ 914,176.12	\$	\$ 914,176.12
Cost of sales-Nonreimbursable	74,030.00		74,030.00
Salaries	682,550.60		682,550.60
Employee benefits	163,773.26		163,773.26
Other purchased services	49,440.00		49,440.00
Miscellaneous Expenses	125,408.80		125,408.80
Depreciation	16,582.00		16,582.00
Total operating expenses	<u>\$ 2,025,960.78</u>	<u>\$</u>	<u>\$ 2,025,960.78</u>
Operating income (loss)	<u>\$ (1,620,042.21)</u>	<u>\$ 1,993.15</u>	<u>\$ (1,618,049.06)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
State sources			
School lunch program	\$ 10,540.70		\$ 10,540.70
Federal sources			
School lunch and PB programs	1,046,630.47		1,046,630.47
School breakfast program	273,050.50		273,050.50
After school snack program	96,534.89		96,534.89
Summer food service program	63,576.32		63,576.32
School food equipment grant	26,141.12		26,141.12
National food distribution commodities	131,549.85		131,549.85
Total nonoperating revenues	<u>\$ 1,648,023.85</u>		<u>\$ 1,648,023.85</u>
Net income	\$ 27,981.64	\$ 1,993.15	\$ 29,974.79
Total net position - July 1 (As Restated)	<u>274,045.63</u>	<u>84.37</u>	<u>274,130.00</u>
Total net position - June 30	<u>\$ 302,027.27</u>	<u>\$ 2,077.52</u>	<u>\$ 304,104.79</u>

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

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>FOOD</u> <u>SERVICE</u>	<u>COMMUNITY</u> <u>SCHOOL</u>	<u>TOTAL</u>
Cash flows from operating activities:			
Receipts from customers	\$ 383,142.91	\$ 1,993.15	\$ 385,136.06
Payments to employees	(682,550.60)		(682,550.60)
Payments to employee benefits	(163,773.26)		(163,773.26)
Payment to suppliers	(1,210,391.59)		(1,210,391.59)
Net cash provided (used for) by operating activities	<u>\$ (1,673,572.54)</u>	<u>\$ 1,993.15</u>	<u>\$ (1,671,579.39)</u>
Cash flows from noncapital financing activities:			
State sources	\$ 19,183.17		\$ 19,183.17
Federal sources	2,184,648.04		2,184,648.04
Net cash provided by (used for) noncapital financing activities	<u>\$ 2,203,831.21</u>		<u>\$ 2,203,831.21</u>
Cash flows from capital and related financing activities			
Purchase of capital assets	\$ (30,403.12)		\$ (30,403.12)
Net cash provided by (used for) capital and related financing activities	<u>\$ (30,403.12)</u>	<u>\$</u>	<u>\$ (30,403.12)</u>
Net increase (decrease) in cash and cash equivalents	\$ 499,855.55	\$ 1,993.15	\$ 501,848.70
Cash and cash equivalents - July 1	<u>299,045.38</u>	<u>84.37</u>	<u>299,129.75</u>
Cash and cash equivalents - June 30	<u>\$ 798,900.93</u>	<u>\$ 2,077.52</u>	<u>\$ 800,978.45</u>
Operating income (loss)	\$ (1,620,042.21)	\$ 1,993.15	\$ (1,618,049.06)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation	16,582.00		16,582.00
Change in assets and liabilities:			
(Increase) Decrease in Inventory	(26,923.21)		(26,923.21)
(Increase) Decrease in accounts receivable	(22,775.66)		(22,775.66)
Increase (Decrease) in accounts payable	(20,413.46)		(20,413.46)
Net cash provided (used) by operating activities	<u>\$ (1,673,572.54)</u>	<u>\$ 1,993.15</u>	<u>\$ (1,671,579.39)</u>

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



BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIVATE PURPOSE AWARD FUND</u>	<u>AGENCY FUNDS</u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ <u>440,788.29</u>	\$ <u>512,845.34</u>
Total Assets	\$ <u><u>440,788.29</u></u>	\$ <u><u>512,845.34</u></u>
<b>LIABILITIES:</b>		
Payroll deductions and withholdings (Deficit)	\$	\$ (20,101.82)
Interfund		436,540.58
Due to student groups	<u>                    </u>	<u>96,406.58</u>
Total liabilities	\$ <u>                    </u>	\$ <u>512,845.34</u>
<b>NET ASSETS:</b>		
Held in Trust for Awards	\$ <u>440,788.29</u>	\$ <u>                    </u>
Total Net Position	\$ <u><u>440,788.29</u></u>	\$ <u><u>                    </u></u>

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

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIVATE PURPOSE AWARD FUNDS</u>
ADDITIONS:	
Contributions:	
Other	\$ <u>5,000.00</u>
Total contributions	\$ <u>5,000.00</u>
Investment earnings:	
Interest	\$ <u>7,559.31</u>
Net investment earnings	\$ <u>7,559.31</u>
Total additions	\$ <u>12,559.31</u>
DEDUCTIONS:	
Scholarships awarded	\$ <u>7,434.66</u>
Total deductions	\$ <u>7,434.66</u>
Change in net assets	5,124.65
Net position beginning of year	\$ <u>435,663.64</u>
Net position end of year	\$ <u><u>440,788.29</u></u>

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

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Reporting Entity**

The Borough of Roselle School District is a Type II District located in Union County, New Jersey. The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is governed by a nine member board elected to three-year terms and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet *all* of the following criteria should be discreetly presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District includes elementary schools, middle schools, and a high school. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation**

The District's basic financial statements consist of District-wide statements, including a Statement of Net Positions and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

District-Wide Statements: The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Position presents the financial condition of the governmental and business-type activity of the District at fiscal year end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as generally revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

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

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Governmental Fund Types**

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

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

**Capital Projects Fund** - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the State to offset the cost of approved capital projects.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Proprietary Fund**

**Enterprise Fund** - The enterprise fund accounts for all revenues and expenses pertaining to cafeteria operations and the community school. Enterprise funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

**Fiduciary Fund Types**

**Agency Funds** - The agency funds are used to account for assets held by the district on behalf of others and are custodial in nature. The agency funds included in this category are as follows:

**Payroll and Student Activities Funds** - These are agency funds used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

**Private Purpose Trust Funds** - These trust funds are used to account for assets donated by individuals that will provide for the payment of awards and other purposes.

**Basis of Accounting - Measurement Focus**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting - Measurement Focus (Continued)**

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Account Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

**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 District elected to move the School Board election to the date of the November general election thereby eliminating the vote on the annual base budget unless required by the mandated State budget CAP. 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. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfer must be approved by School Board resolution. Budget amendments during the year ended June 30, 2019 totaled \$1,132,633.00. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets/Budgetary Control (Continued)**

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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 recognition of the last 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 records.

**Encumbrance Accounting**

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 and capital projects fund for which the District has received advances are reflected in the balance sheet as unearned revenues at fiscal year end.

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



**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Interfunds**

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available expendable resources.

**Inventories and Prepaid Expenses**

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

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

**Capital Assets**

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements, and furniture and equipment, are only reported in the district-wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition values on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. In fiscal year 2016, the District implemented GASB 72. The objective of this is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurement. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, Measurement of Elements of Financial Statements, and other relevant literature. Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

<b><u>Asset Class</u></b>	<b><u>Estimated Useful Lives</u></b>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office & Computer Equipment	5-10
Instructional Equipment	10
Ground Equipment	15

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences**

The District accounts for compensated absences (e.g., unused sick days) 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.

District employees are granted varying amounts of sick days in accordance with the District's employment contract and personnel policy. Upon termination, employees are paid for accrued sick time. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after four years of service.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick days that are expected to become eligible for payment upon retirement. The District estimates its accrued compensated absences liability based on the accumulated sick days at the balance sheet date by those employees who are currently eligible to receive retirement payments.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

**Fund Equity**

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designations of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

Unassigned net position represent the remains of the District's equity in the cumulative earnings of the food service fund.

**Unearned Revenue**

Unearned revenue in the special revenue and capital projects funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is an allowable under generally accepted accounting principles.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

**Net Position**

GASB 63 provides guidance for reporting net position in the statement of financial position and related disclosures. Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

**Fund Balance Reserves**

Under GASB 54, in the fund financial statements, governmental funds report the following classifications of fund balance:

Non-Spendable – includes amounts that cannot be spend because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Emergency Reserve, Maintenance Reserve, Tuition Reserve, and Excess Surplus as Restricted Fund Balance.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Reserves (Continued)**

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education

Assigned – includes amount that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator. The District reports Year End Encumbrances and amounts Designated for Subsequent Year's Expenditures as Assigned Fund Balance.

Unassigned – is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposed for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, he District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**Revenues Exchange and Non-Exchange Transactions**

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

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenues Exchange and Non-Exchange Transactions (Continued)**

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from property taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

**Proprietary Funds Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise funds are charges to customers for sales of food service. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Allocation of Indirect Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function in the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately in the Statement of Activities.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Extraordinary and Special Items**

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

**Management Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**Accounting and Financial Reporting for Pensions**

In the District-Wide Financial Statements 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 District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and 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.

In the Governmental Fund Financial Statements the year end Net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1<sup>st</sup> of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflects both a revenue and expenses for this pension contribution.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial 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. Currently, the District has only two items that qualify for reporting in this category, deferred amounts from refunding debt and deferred amounts related to pensions.

In addition to liabilities, the statement of financial 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 period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualify in this category, deferred amounts related to pension.

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The Board considers petty cash, change funds, cash in banks, certificates of deposits, deposits in the New Jersey Cash Management Fund, deposits in the governmental money market fund, deposits in the New Jersey Asset and Rebate Management Program and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

**Deposits**

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a Banking Institution that is a member of the Federal Reserve System, and has capital funds of not less than \$25,000,000.00. Under (GUDPA), 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 the deposits to the governmental unit.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Deposits (Continued)**

The Borough of Roselle School District had the following cash and cash equivalents at June 30, 2019:

<b><u>Fund Type</u></b>	<b><u>Cash in Bank</u></b>	<b><u>Reconciling Items</u></b>	<b><u>Reported Total</u></b>
Governmental	\$ 7,834,526.69	\$ (\$1,767,759.24)	\$ 6,066,767.45
Proprietary	1,164,226.57	(363,248.12)	800,978.45
Fiduciary	2,621,541.19	(1,667,907.56)	953,633.63
	<u>\$ 11,620,294.45</u>	<u>(\$3,798,914.92)</u>	<u>\$ 7,821,379.53</u>

**Custodial Credit Risk – Deposits** – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2019, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$277,187.18 was covered by Federal Depository Insurance and \$11,343,107.27 was covered under the provisions of NJGUDPA.

**Investments**

The purchase of investments by the Board is strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.



**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

At June 30, 2019, the District had no outstanding investments.

Based upon the limitation set forth by New Jersey Statutes 18A:20-37 and its existing investment practices, the District is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risks for its deposits and investments.

**NOTE 3: CHANGE IN CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2019 was as follows:

	<u>Beginning Balance (Restated)</u>	<u>Additions</u>	<u>Ending Balance</u>
Governmental activities:			
Site improvements	\$ 301,585.00	\$	\$ 301,585.00
Building and building improvements	26,476,232.96	7,039.04	26,483,272.00
Machinery and equipment	2,757,566.33	364,531.67	3,122,098.00
Total capital assets being depreciated	<u>\$ 29,535,384.29</u>	<u>\$ 371,570.71</u>	<u>\$ 29,906,955.00</u>
 Total gross assets	 <u>\$ 29,535,384.29</u>	 <u>\$ 371,570.71</u>	 <u>\$ 29,906,955.00</u>
 Less: accumulated depreciation for:			
Site improvements	\$ (186,183.65)	\$ (11,013.59)	\$ (197,197.24)
Building and building improvements	(10,220,314.59)	(1,065,426.61)	(11,285,741.20)
Machinery and equipment	(1,356,925.89)	(318,223.75)	(1,675,149.64)
	<u>\$ (11,763,424.13)</u>	<u>\$ (1,394,663.95)</u>	<u>\$ (13,158,088.08)</u>
 Governmental activities capital assets, net	 <u>\$ 17,771,960.16</u>	 <u>\$ (1,023,093.24)</u>	 <u>\$ 16,748,866.92</u>
 Business type activities:			
Machinery and equipment	\$ 259,689.99	\$ 30,403.12	\$ 290,093.11
Less: accumulated depreciation	<u>(97,058.93)</u>	<u>(16,582.00)</u>	<u>(113,640.93)</u>
 Proprietary fund capital assets, net	 <u>\$ 162,631.06</u>	 <u>\$ 13,821.12</u>	 <u>\$ 176,452.18</u>



**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 5: PENSION PLANS**

**Description of Plans** - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

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

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

**Defined Contribution Retirement Program (DCRP)** - The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Significant Legislation**

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

**Pension Plan Design Changes**

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

**Funding Changes**

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

**COLA Suspension**

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

**Vesting and Benefit Provisions** The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

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.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Contribution Requirements** The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Effective June 28, 2011, P.L. 2011, c. 78 provides for increases in the employee contribution rates: from 5.5% to 6.5% plus an additional 1% phased-in over 7 years beginning in the first year, meaning after 12 months, after the law's effective date for TPAF and PERS.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (*i.e.* the State of New Jersey makes the employer contribution on behalf of public school districts).

<u>Three-Year Trend Information for PERS</u>			
<u>Year</u> <u>June 30,</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
2019	\$574,111.00	100.00%	\$574,111.00
2018	541,243.00	100.00%	541,243.00
2017	521,962.00	100.00%	521,962.00

During the fiscal years ended June 30, 2019, 2018, and 2017, the State of New Jersey contributed \$3,835,704.00, \$2,848,552.00, and \$2,127,034, respectively, excluding post-retirement medical and long-term disability, to the TPAF pension system on behalf of the District.

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$1,512,823.77 during the year ended June 30, 2019 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 68.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**

**Public Employees Retirement System (PERS)**

At June 30, 2019, the District reported a liability of \$11,364,453.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2018, the District's proportion was 0.0577183400 percent, which was a decrease of 0.0007064195 percent from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized pension expense of \$574,111.00 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2018 measurement date.

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$216,722	\$58,599
Changes of assumptions	1,872,674	3,633,748
Net difference between projected and actual earnings on pension plan investments		106,599
Changes in proportion and differences between District contributions and proportionate share of contributions	511,065	324,690
District contributions subsequent to the measurement date	599,386	
	<u>\$3,199,847</u>	<u>\$4,123,636</u>

The \$599,386.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2019, the plan measurement date is June 30, 2018) will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**

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

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

<u>Year Ended</u> <u>June 30</u>	<u>Amount</u>
2019	\$116,150
2020	(71,929)
2021	(745,805)
2022	(641,511)
2023	<u>(180,080)</u>
	<u><u>(\$1,523,175)</u></u>

**Actuarial Assumptions**

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which rolled forward to June 30, 2018. These actuarial valuations used the following assumptions:

Inflation	2.25 Percent
Salary Increases (based on age)	
Though 2026	1.65-4.15 Percent
Thereafter	2.65-5.15 Percent
Investment Rate of Return	7.00 Percent

Preretirement 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 generational approach based on the Conduent modified 2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent 2014 projection scale thereafter. 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).



**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Actuarial Assumptions (Continued)**

The actuarial assumptions used in the July 1, 2017 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.

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2018 and 7.00 at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the 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.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Actuarial Assumptions (Continued)**

**Long-Term Rate of Return (Continued)**

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Fund	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Market Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

**Discount Rate**

The discount rate used to measure the total pension liability was 5.66% and 5.00% as of June 30, 2018 and June 30, 2017 respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30 2018 and June 30, 2017 and a municipal bond rate of 3.87% and 3.58% for June 30, 2018 and June 30, 2017 respectively based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Actuarial Assumptions (Continued)**

**Discount Rate (Continued)**

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 June 30, 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2046 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the District's proportionate share of the net pension liability as of June 30, 2018, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	1% Decrease	At Current Discount Rate	1% Increase
	<u>4.66%</u>	<u>5.66%</u>	<u>6.66%</u>
District's proportionate share of the net pension liability	\$14,289,491	\$11,364,453	\$8,910,534

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2019 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$120,140,948</u>
	<u><u>\$120,140,948</u></u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 which was rolled forward to June 30, 2018. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2018, the proportion of the TPAF net pension liability associated with the District was .1888478538% which was a decrease of .0002548990 percent from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized on-behalf pension expense and revenue of \$7,003,797.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2018 measurement date.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions**

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.25%
Salary increases:	
2011-2026	1.55 - 4.55%
Thereafter	2.00 - 5.45%
Investment rate of return	7.00%

**Mortality Rate**

Pre-retirement mortality rates were based on the RP-2006 Employee White Collar Mortality Tables, set back 3 years for males and 5 years for females, projected on a generational basis from a base year of 2006 using a 60-year average of improvement rates based on Social Security data from 1953 to 2013. Post-retirement mortality rates were based on the RP-2006 Healthy Annuitant White Collar Mortality Tables, with adjustments as described in the latest experience study, projected on a generational basis from a base year of 2006 using a 60-year average of improvement rates based on Social Security data from 1953 to 2013. Disability mortality rates were based on the RP-2006 Disabled Retiree Mortality Tables with rates adjusted by 90%. No mortality improvement is assumed for disabled retiree mortality.

The actuarial assumptions used in the July 1, 2017 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 (7.00% and 7.00% at June 30, 2018 and June 30, 2017 respectively) 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.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Long-Term Expected Rate of Return (Continued)**

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Fund	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Market Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 4.86% and 4.25% as of June 30, 2018 and 2017, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and 7.00, and a municipal bond rate of 3.87% and 3.58% as of June 30, 2018 and 2017, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 50% 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 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75**

**Plan Description and Benefits Provided**

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, which is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**Employees Covered by Benefit Terms**

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	217,131
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	145,050
Inactive Plan Members or Beneficiaries	
Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>362,181</u>



**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Total Non-Employer OPEB Liability**

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2019 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	<u>70,762,769</u>
	<u><u>\$70,762,769</u></u>

The total Non-Employer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018.

The total Non-Employer OPEB Liability was determined separately based on actual data of the District.

For the year ended June 30, 2019, the District recognized on-behalf post-employment expense and revenue of \$3,708,129.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2018 measurement date.

At June 30, 2018, the District's proportion was 0.1534623524 percent, which was a decrease of .0042571488 from its proportion measured as of June 30, 2017.

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Actuarial Assumptions and Other Inputs**

The total Non-Employer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation 2.5 percent

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases			
Through 2026	1.55-4.55%	2.15-4.15%	2.10-8.98%
		Based on Age	Based on Age
Thereafter	2.00-5.45%	3.15-5.15%	3.10-9.98
		Based on Age	Based on Age

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female fully generational mortality projections from the central year using the MP-2017 scale. Post-Retirement mortality rates were based on the RP-2006 Headcount- Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 - June 30, 2015, July 1, 2011 - June 30, 2014, and July 1, 2010 - June 30, 2013 for TPAF, PFRS and PERS, respectively.

100% of all retirees who currently have healthcare coverage are assumed to continue with that coverage. 100% of active members are considered to participant in the Plan upon retirement, having a coverage blend of 85% and 15% in PPO and HMO, respectively.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Health Care Trend Assumptions**

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.8% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Pan B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

**Discount Rate**

The discount rate for June 30, 2018 and 2017 was 3.87% and 3.58%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

**Changes in the Total Non-Employer OPEB Liability**

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2017 to June 30, 2018.

Balance at 6/30/17		\$84,600,491
Changes for the year:		
Service cost	\$ 3,719,265.00	
Interest	3,129,436.00	
Differences between expected and actual experience	(10,739,266.00)	
Changes in assumptions or other inputs	(8,120,382.00)	
Membership Contributions	65,396.00	
Benefit payments - Net	<u>(1,892,171.00)</u>	
Net changes		<u>(13,837,722)</u>
Balance at 6/30/18		<u><u>\$70,762,769</u></u>

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate**

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2018, calculated using the discount rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2018		
	1.00% Decrease (2.87%)	At Discount Rate (3.87)	1.00% Increase (4.87%)
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$83,655,998	\$70,762,769	\$60,513,984

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends**

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2018, calculated using the healthcare trend rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2018		
	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$58,489,550	\$70,762,769	\$86,994,571

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability**

At June 30, 2018, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ -	\$ 6,869,107
Changes of assumptions	-	15,861,836
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in proportion	<u>262,643</u>	<u>2,285,075</u>
	<u>\$ 262,643</u>	<u>\$ 25,016,018.00</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB associated with the District will be recognized in OPEB expense as follows:

<u>Year Ended</u>	<u>Amount</u>
<u>June 30,</u>	
2019	(\$3,205,509)
2020	(\$3,205,509)
2021	(\$3,205,509)
2022	(\$3,205,509)
2023	(\$3,205,509)
Total Thereafter	<u>(\$8,725,828)</u>
	<u>(\$24,753,375)</u>

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2019**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability (Continued)**

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

**State Health Benefit Local Education Retired Employee Plan Information**

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at <http://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 8: LITIGATION**

The Board attorney's letter advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the Board of Education and which might materially affect the Board's financial position.

**NOTE 9: CONTINGENCIES**

The Board receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2018-2019 fiscal year were subject to the U.S. OMB Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the Board's annual audit. Findings and questioned costs, if any, relative to federal awards and state financial assistance programs will be discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. Further, the School Child Nutrition Program is a recipient of federal reimbursements and is subject to certain related federal regulations. These federal reimbursements are subject to subsequent audit and interpretation by the New Jersey Department of Education. The Board management does not believe such an audit would result in material amounts of disallowed costs.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 10: RISK MANAGEMENT**

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

**Property and Liability Insurance** - The District maintains commercial coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**New Jersey Unemployment Compensation Insurance** - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Liability Method". Under this plan, the District is required to calculate and pay the amount required on a quarterly basis based upon rates as determined by the New Jersey Department of Labor.

**NOTE 11: FUND BALANCE APPROPRIATED**

**General Fund** – The table below reflects the District's Fund Balance at June 30, 2019 on both a GAAP (Exhibit B-1) and Budgetary (Exhibit C-1) basis including the required adjustment related to the last state aid payment which under GAAP is not recognized:

	<u>Budgetary Basis</u>	<u>Adjustment</u>	<u>GAAP Basis</u>
Restricted:			
Excess Surplus:			
Designated for Subsequent			
Year's Expenditures	\$ 2,700,000.00	\$	\$ 2,700,000.00
Current Year	2,800,000.00	(2,542,599.60)	257,400.40
Capital Reserve	1,262,141.42		1,262,141.42
Emergency Reserve	100,000.00		100,000.00
Assigned:			
Encumbrances	2,435,612.90		2,435,612.90
Unassigned	990,565.48		990,565.48
	<u>\$ 10,288,319.80</u>	<u>\$ (2,542,599.60)</u>	<u>\$ 7,745,720.20</u>



**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 12: COMPENSATED ABSENCES**

The District accounts for compensated absences (e.g. unused vacation and 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.

The District accounts for compensated absences (e.g. unused vacation and 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.

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

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net position. As of June 30, 2019, a liability existed for compensated absences for governmental fund-types in the district-wide Statement of Net Position of \$1,241,875.36.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2019 no liability existed for compensated absences in the proprietary fund.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 13: CALCULATION OF EXCESS SURPLUS - BUDGETARY BASIS**

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004, c73 (S1701), the Restricted Fund Balance Excess Surplus is a required calculation pursuant to the New Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restricted General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance resulting from the year ended June 30, 2019 is \$2,800,000.00.

General Fund Expenditures Fiscal Year Ended June 30, 2019	\$56,622,169.71
On-Behalf TPAF Pension, PRM, LTD, and Social Security Reimbursement	7,093,895.77
Adjusted General Fund Expenditures	\$49,528,273.94
Excess Surplus Percentage	2.00%
2% of Adjusted 2017-18 General Fund Expenditures	\$990,565.48
Add: Allowable Adjustments	0.00
Maximum Unreserved/Undesignated Fund Balance	\$990,565.48
Total Unassigned/Unrestricted Fund Balance	3,790,565.48
Excess Surplus	\$2,800,000.00

**NOTE 14: CAPITAL RESERVE ACCOUNT**

A capital reserve account was originally established by the Borough of Roselle 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. The balance remaining in the reserve as of June 30, 2019 is \$1,262,141.42.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 14: CAPITAL RESERVE ACCOUNT (CONTINUED)**

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

The activity of the capital reserve for the July 1, 2018 to June 30, 2019 fiscal year is as follows:

Beginning balance, July 1, 2018	\$626,458.48
Increased by:	
Board Approved Transfers	1,053,105.02
Capital Projects Closed	202,577.92
Decreased by:	
Appropriated to Capital Outlay	(620,000.00)
Ending balance, June 30, 2019	\$1,262,141.42

**NOTE 15: MAINTENANCE RESERVE ACCOUNT**

In accordance with N.J.S.A. 18A:7G-13, a Maintenance reserve account was established by the District. The Maintenance reserve account is maintained in the general fund.

A district board of education or board of school estimate, as appropriate, may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes.

A district board of education or board of school estimate, as appropriate, may by resolution withdraw such funds from the maintenance reserve account and appropriate into the required maintenance account lines at budget time or any time during the year for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan pursuant to N.J.A.C. 6A:26A-4.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 15: MAINTENANCE RESERVE ACCOUNT (CONTINUED)**

The district board of education shall ensure that the maintenance reserve account balance does not, at any time, exceed four percent of the replacement cost of the school district's school facilities for the current year. If the account exceeds this maximum amount at June 30, the district board of education shall reserve and designate such excess in the subsequent year's budget.

The activity of the maintenance reserve during the year ended June 30, 2019, is as follows:

Balance, July 1, 2018	\$250,000.00
Decreased by:	
Budget Appropriation	<u>\$250,000.00</u>

**NOTE 16: EMERGENCY RESERVE ACCOUNT**

An emergency reserve account was established by the District for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve account was created to fund medical expenses in excess of 4%. The emergency reserve account is used to fund unanticipated general fund current expense costs and may be established to supplement the reserve in the district's annual budget or through a transfer by board resolution at year end of any unanticipated revenue and unexpended line item appropriation amounts in accordance with N.J.S.A. 18A:7F-41.

The activity of the emergency reserve during the year ended June 30, 2019, is as follows:

Balance, July 1, 2018	
and June 30, 2019	<u>\$100,000.00</u>

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 17: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balances sheet at June 30, 2019:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$3,848,003.69	
Special Revenue Fund		\$2,300,725.08
Capital Projects Fund		92,771.49
Enterprise Funds		1,017,966.54
Fiduciary Funds		436,540.58
	<u>\$3,848,003.69</u>	<u>\$3,848,003.69</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

**NOTE 18: DEFICIT FUND BALANCE**

The District has a deficit of fund balance of \$58,925.40 in the Special Revenue Fund as of June 30, 2019 as reported in the GAAP fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, *i.e.*, if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the delayed state aid payments in the subsequent fiscal year, the school district cannot recognize the delayed state aid payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the delayed state aid payments, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a result from a delay in state aid payments until the following fiscal year, is not considered a violation of New Jersey statute. The deficit in the Special Revenue Fund is equal to or less than the delayed state aid payment and; therefore, no violation of New Jersey Statute or regulation exists; nor is there a need for corrective action.

**Borough of Roselle School District**  
**Notes to the Financial Statements**  
**June 30, 2019**

**NOTE 19: INVENTORY**

Inventory in the Food Service Fund at June 30, 2019 consisted of the following:

Food, Commodities and Supplies      \$88,537.95

**NOTE 20: DEFERRED COMPENSATION**

The District offers its employees a choice of the deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. Since the District does not have any property or rights to the plan assets and no fiduciary relationship exists between the District and the deferred compensation plan, the plan assets are not included in the District's financial statements as of June 30, 2019.

**NOTE 21: PRIOR PERIOD ADJUSTMENTS**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net Position 6/30/18	\$13,857,683.38	\$188,548.00
Adjustments:		
Capital Asset Revaluation	88,361.48	85,582.00
Net Position 6/30/18 (As Restated)	\$13,946,044.86	\$274,130.00

**NOTE 22: SUBSEQUENT EVENTS**

The District has evaluated subsequent events occurring after the financial statement date through December 23, 2019 which is the date the financial statements were available to be issued. The District has determined that there are no material subsequent events needed to be disclosed.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**



BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 24,147,250.00	\$	\$ 24,147,250.00	\$ 24,147,250.00	\$
Unrestricted miscellaneous revenues	12,000.00		12,000.00	185,384.07	173,384.07
Total revenues-local sources	\$ 24,159,250.00	\$	\$ 24,159,250.00	\$ 24,332,634.07	\$ 173,384.07
State sources:					
Extraordinary aid	\$ 50,859.00	\$ 143,261.00	\$ 194,120.00	\$ 194,120.00	\$
Categorical special education aid	1,836,297.00		1,836,297.00	1,836,297.00	
Equalization aid	22,294,833.00		22,294,833.00	22,294,833.00	
Categorical security aid	1,283,877.00		1,283,877.00	1,283,877.00	
Categorical transportation aid	137,828.00		137,828.00	137,828.00	
On-behalf TPAF pension contributions (non-budgeted)				3,835,704.00	3,835,704.00
On-behalf TPAF firm contributions (non-budgeted)				1,739,869.00	1,739,869.00
On-behalf TPAF long-term disability insurance (non-budgeted)				5,499.00	5,499.00
Reimbursed TPAF social security cont. (non-budgeted)				1,512,823.77	1,512,823.77
Total - state sources	\$ 25,603,694.00	\$ 143,261.00	\$ 25,746,955.00	\$ 32,840,850.77	\$ 7,093,895.77
Federal sources:					
SEMI Medicaid reimbursement	\$ 76,489.00	\$	\$ 76,489.00	\$ 198,747.38	\$ 122,258.38
Total - state sources	\$ 76,489.00	\$	\$ 76,489.00	\$ 198,747.38	\$ 122,258.38
Total revenues	\$ 49,839,433.00	\$ 143,261.00	\$ 49,982,694.00	\$ 57,372,232.22	\$ 7,389,538.22
<b>EXPENDITURES:</b>					
CURRENT EXPENSE:					
Regular programs - instruction					
Kindergarten - salaries of teachers	\$ 884,135.00	\$ (5,293.29)	\$ 878,841.71	\$ 852,101.71	\$ 26,740.00
Grades 1-5 salaries of teachers	4,411,177.00	6,938.89	4,418,115.89	4,293,389.69	124,726.20
Grades 6-8 salaries of teachers	2,711,054.00	386,413.47	3,097,467.47	3,017,853.63	79,613.84
Grades 9-12 salaries of teachers	4,324,178.00	(370,913.06)	3,953,264.94	3,660,203.64	293,061.30
Salaries of teachers	66,912.00		66,912.00	54,684.11	12,227.89
Other salaries for instruction	633,110.00	(152,491.71)	480,618.29	390,239.01	90,379.28
Purchased professional education services	116,987.00	252,222.73	369,209.73	315,441.69	53,768.04
Other purchased services (400-500 series)	413,813.60	(4,415.35)	409,398.25	346,249.07	63,149.18
General supplies	494,509.63	315,264.90	809,774.53	687,841.44	121,933.09
Textbooks	266,450.00	(29,445.82)	237,004.18	235,355.91	1,648.27
Other objects	108,565.00	20,227.25	128,792.25	124,304.81	4,487.44
Total regular programs - instruction	\$ 14,430,891.23	\$ 418,508.01	\$ 14,849,399.24	\$ 13,977,664.71	\$ 871,734.53

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Learning and/or language disabilities					
Salaries of teachers	\$ 342,658.00	\$ 4,165.68	\$ 346,823.68	\$ 311,319.35	\$ 35,504.33
Other salaries for instruction	272,535.00	850.00	273,385.00	233,940.44	39,444.56
Total learning and/or language disabilities	\$ 615,193.00	\$ 5,015.68	\$ 620,208.68	\$ 545,259.79	\$ 74,948.89
Behavioral Disabilities					
Salaries of teachers	\$ 174,018.00	\$	\$ 174,018.00	\$ 156,169.35	\$ 17,848.65
Other salaries for instruction	170,764.00	(35,000.00)	135,764.00	128,296.87	7,467.13
Total behavioral disabilities	\$ 344,782.00	\$ (35,000.00)	\$ 309,782.00	\$ 284,466.22	\$ 25,315.78
Multiple disabilities					
Salaries of teachers	\$ 405,820.00	\$	\$ 405,820.00	\$ 369,142.51	\$ 36,677.49
Other salaries for instruction	251,920.00		251,920.00	237,215.28	14,704.72
General supplies	49,500.00	(2,000.00)	47,500.00	39,023.96	8,476.04
Total multiple disabilities	\$ 707,240.00	\$ (2,000.00)	\$ 705,240.00	\$ 645,381.75	\$ 59,858.25
Resource room/ resource center					
Salaries of teachers	\$ 2,087,131.00	\$ (61,592.30)	\$ 2,025,538.70	\$ 1,827,732.73	\$ 197,805.97
Other salaries for instruction	144,647.00	53,545.58	198,192.58	193,817.58	4,375.00
General supplies	1,800.00		1,800.00		1,800.00
Total resource room/ resource center	\$ 2,233,578.00	\$ (8,046.72)	\$ 2,225,531.28	\$ 2,021,550.31	\$ 203,980.97
Autism					
Salaries of teachers	\$ 120,985.00	\$	\$ 120,985.00	\$ 90,271.50	\$ 30,713.50
Other salaries for instruction	143,435.00		143,435.00	120,812.06	22,622.94
General supplies	7,250.00		7,250.00		7,250.00
Total autism	\$ 271,670.00	\$	\$ 271,670.00	\$ 211,083.56	\$ 60,586.44
Preschool disabilities - full time					
Salaries of teachers	\$ 53,561.00	\$	\$ 53,561.00	\$ 18,693.35	\$ 34,867.65
Other salaries for instruction	168,946.00	24,304.46	193,250.46	48,023.33	145,227.13
Total preschool disabilities - full time	\$ 222,507.00	\$ 24,304.46	\$ 246,811.46	\$ 66,716.68	\$ 180,094.78
Basic skills/ remedial - instruction					
Salaries of teachers	\$ 796,078.00	\$ (24,304.46)	\$ 771,773.54	\$ 656,421.91	\$ 115,351.63
General supplies	1,000.00		1,000.00		1,000.00
Total basic skills/ remedial - instruction	\$ 797,078.00	\$ (24,304.46)	\$ 772,773.54	\$ 656,421.91	\$ 116,351.63

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Bilingual education - instruction	\$ 1,256,358.00	\$	1,256,358.00	\$ 982,996.20	\$ 273,361.80
Salaries of teachers	333,311.00		333,311.00	321,893.09	11,417.91
Other salaries for instruction	3,000.00		3,000.00	1,075.40	1,924.60
Purchased professional education services	15,950.00	(10,579.76)	5,370.24	4,641.02	729.22
General supplies	9,161.00		9,161.00	3,272.89	5,888.11
Textbooks	5,000.00		5,000.00		5,000.00
Other objects					
Total bilingual education - instruction	\$ 1,622,780.00	\$ (10,579.76)	\$ 1,612,200.24	\$ 1,313,878.60	\$ 298,321.64
School sponsored athletics - instruction					
Salaries	\$ 404,223.00	\$ (65,516.79)	\$ 338,706.21	\$ 307,818.44	\$ 30,887.77
Supplies and materials	118,000.00		118,000.00	116,127.57	1,872.43
Other objects	30,000.00	(14,896.00)	15,104.00		15,104.00
Total school sponsored athletics - instruction	\$ 552,223.00	\$ (80,412.79)	\$ 471,810.21	\$ 423,946.01	\$ 47,864.20
Other instructional programs - instruction					
Salaries	\$ 173,052.00	\$	173,052.00	\$ 130,005.20	\$ 43,046.80
Purchased services (300-500 series)	15,000.00	3,883.87	18,883.87	18,883.87	
Supplies and materials	8,861.00	(828.09)	8,032.91	5,942.98	2,089.93
Other objects	5,477.00		5,477.00	4,770.00	707.00
Total other instructional programs - instruction	\$ 202,390.00	\$ 3,055.78	\$ 205,445.78	\$ 159,602.05	\$ 45,843.73
Before/ after school programs - instruction					
Salaries of teachers	\$ 160,903.00	\$ 65,447.78	\$ 226,350.78	\$ 205,004.80	\$ 21,345.98
Other salaries of instruction	34,449.00	9,791.22	44,240.22	37,047.82	7,192.40
Total before/ after school programs - instruction	\$ 195,352.00	\$ 75,239.00	\$ 270,591.00	\$ 242,052.62	\$ 28,538.38
Other suppl/ at-risk prog - instruction					
Salaries of teachers	\$ 137,002.00	\$ 35,444.01	\$ 172,446.01	\$ 172,446.01	\$
Total other suppl/ at-risk prog - instruction	\$ 137,002.00	\$ 35,444.01	\$ 172,446.01	\$ 172,446.01	\$

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Undistributed expenditures:					
Instruction tuition:					
Tuition to other LEAs within state - special	\$ 1,546,518.20	\$ (608,250.32)	\$ 938,267.88	\$ 620,759.27	\$ 317,508.61
Tuition to county voc. School dist. - regular		627,500.00	627,500.00	619,850.00	7,650.00
Tuition to county voc. School dist. - special	80,000.00	(75,773.00)	4,227.00		4,227.00
Tuition to priv. sch. For the disabled w/ state	1,481,455.00	(1,196,430.05)	285,024.95	104,178.65	180,846.30
Tuition - state facilities	92,373.00	3,800.00	96,173.00	96,173.00	
		5,610.66	5,610.66	5,610.40	0.26
Total instruction tuition	\$ 3,200,346.20	\$ (1,243,542.71)	\$ 1,956,803.49	\$ 1,446,571.32	\$ 510,232.17
Attendance and social work:					
Salaries	\$ 241,599.00	\$ (60,926.56)	\$ 180,672.44	\$ 127,396.24	\$ 53,276.20
Salaries of family liaisons/comm parent inv spe	29,913.00		29,913.00	29,326.00	587.00
Attendance Supplies		1,215.00	1,215.00	1,214.92	0.08
Total attendance and social work	\$ 271,512.00	\$ (59,711.56)	\$ 211,800.44	\$ 157,937.16	\$ 53,863.28
Health services:					
Salaries	\$ 575,718.00	\$	\$ 575,718.00	\$ 445,652.90	\$ 130,065.10
Purchased professional and technical services	66,295.00	(24,092.90)	42,202.10	38,812.20	3,389.90
Supplies and materials	9,000.00		9,000.00	8,876.05	123.95
Other objects	1,300.00		1,300.00	1,267.50	32.50
Total health services	\$ 652,313.00	\$ (24,092.90)	\$ 628,220.10	\$ 494,608.65	\$ 133,611.45
Speech OT PT related svcs:					
Salaries	\$ 357,998.00	\$ (61,109.00)	\$ 296,889.00	\$ 162,583.56	\$ 134,305.44
Supplies and Materials	995.00		995.00	428.90	566.10
Total speech OT PT related svcs	\$ 358,993.00	\$ (61,109.00)	\$ 297,884.00	\$ 163,012.46	\$ 134,871.54
OTH supp serv std extra:					
Purchased professional - education services	\$ 1,153,514.00	\$ 838,615.40	\$ 1,992,129.40	\$ 1,972,228.75	\$ 19,900.65
Total OTH supp serv std extra	\$ 1,153,514.00	\$ 838,615.40	\$ 1,992,129.40	\$ 1,972,228.75	\$ 19,900.65

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Guidance:					
Salaries of other professional staff	\$ 716,822.00	\$	716,822.00	\$ 695,704.37	\$ 21,117.63
Salaries of secretarial and clerical assistants	84,158.00	4,561.58	88,719.58	86,174.58	2,545.00
Other salaries	124,989.00	(4,561.58)	120,427.42	87,860.14	32,567.28
Purchased professional - educational services	26,400.00		26,400.00	26,304.90	95.10
Other purchased prof. and tech. services	77,621.00	(37,000.00)	40,621.00	7,934.56	32,686.44
Supplies and materials	7,457.00	(500.00)	6,957.00	6,773.40	183.60
Total guidance	\$ 1,037,447.00	\$ (37,500.00)	\$ 999,947.00	\$ 910,751.95	\$ 89,195.05
Child study teams:					
Salaries of other professional staff	\$ 1,340,347.00	\$ (192,756.95)	1,147,590.05	\$ 1,092,956.53	\$ 54,633.52
Salaries of secretarial and clerical assistants	146,706.00		146,706.00	113,352.73	33,353.27
Other salaries	115,252.00		115,252.00	115,252.00	
Misc pur serv (400-500 series o/than resid costs)	35,600.00		35,600.00	35,184.61	415.39
Supplies and materials	40,954.31		40,954.31	40,749.91	204.40
Other objects	4,970.00	9,202.00	14,172.00	14,169.21	2.79
Total child study teams	\$ 1,683,829.31	\$ (183,554.95)	\$ 1,500,274.36	\$ 1,296,412.99	\$ 203,861.37
Improvement of inst. serv.:					
Sal of supervisor of instruction	\$ 232,351.00	\$ 67,059.57	299,410.57	\$ 292,383.57	\$ 7,027.00
Sal of other professional staff	265,087.00	(56,587.60)	208,499.40	170,845.39	37,654.01
Sal of secr and clerical assist.	42,958.00	3,884.96	46,842.96	45,543.96	1,299.00
Other salaries	111,931.00	32,639.74	144,570.74	141,185.74	3,385.00
Purchased prof - educational services	4,149.00	29,724.00	33,873.00	33,873.00	
Other purch prof. and tech. services	92,000.00	(28,545.71)	63,454.29	63,454.29	
Other purch services (400-500)	16,160.00	8,790.00	24,950.00	24,450.00	500.00
Supplies and materials	148,458.16	2,021.49	150,479.65	147,297.10	3,182.55
Total improvement of inst. serv.	\$ 913,094.16	\$ 58,986.45	\$ 972,080.61	\$ 919,033.05	\$ 53,047.56
Edu. media serv. / library:					
Salaries	\$ 120,509.00	\$ (19,749.88)	100,759.12	\$ 49,365.31	\$ 51,393.81
Salaries of technology coordinators	117,329.00	(25,000.04)	92,328.96	88,780.46	3,548.50
Supplies and materials	94,048.02	(2,224.79)	91,823.23	63,305.22	28,518.01
Total edu. media serv. / library	\$ 331,886.02	\$ (46,974.71)	\$ 284,911.31	\$ 201,450.99	\$ 83,460.32
Instr. Staff training serv.:					
Other salaries	\$ 53,348.00	\$ (41,556.00)	11,792.00	\$	\$ 11,792.00
Other purchased services (400-500 series)	93,300.00	(6,238.08)	87,061.92	65,407.98	21,653.94
Total instr. Staff training serv.	\$ 146,648.00	\$ (47,794.08)	\$ 98,853.92	\$ 65,407.98	\$ 33,445.94

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Support serv. Gen. admin:					
Salaries	\$ 379,245.00	\$ 38,405.00	\$ 417,650.00	\$ 385,698.74	\$ 31,951.26
Legal Services	250,000.00	259,750.00	509,750.00	477,552.16	32,197.84
Audit Fees	60,000.00	(8,000.00)	52,000.00	52,000.00	
Other purchased professional services	35,000.00	(15,019.00)	19,981.00	18,679.00	1,302.00
Communications/ telephone	130,500.00	(48,081.32)	82,418.68	82,316.96	101.72
BOE other purchased services	20,084.00	(4,000.00)	16,084.00	13,842.42	2,241.58
Misc. purch serv (400-500) other than 530 & 585	89,554.00	32,853.39	122,407.39	120,826.37	1,581.02
General supplies	20,096.00	7,016.00	27,112.00	27,105.37	6.63
Miscellaneous expenditures	17,805.20	20,762.49	38,567.69	37,915.44	652.25
BOE membership dues and fees	23,099.00	(51.83)	23,047.17	23,006.87	40.30
Total support serv. Gen. admin.	\$ 1,025,383.20	\$ 283,634.73	\$ 1,309,017.93	\$ 1,238,943.33	\$ 70,074.60
Support serv. School admin:					
Salaries of principals/asst. principals/prog dir	\$ 1,458,905.00	\$	\$ 1,458,905.00	\$ 1,291,157.24	\$ 167,747.76
Salaries of secretarial and clerical assistants	628,867.00	19,784.83	648,651.83	580,794.28	67,857.55
Supplies and materials	30,915.00	(2,728.84)	28,186.16	25,565.77	2,620.39
Total support serv. School admin	\$ 2,118,687.00	\$ 17,055.99	\$ 2,135,742.99	\$ 1,897,517.29	\$ 238,225.70
Central services:					
Salaries	\$ 370,935.00	\$ (27,233.49)	\$ 343,701.51	\$ 330,260.47	\$ 13,441.04
Purchased Technical Services		132,761.00	132,761.00	118,652.33	14,108.67
Misc. purchased services	57,942.00	(41,223.60)	16,718.40	10,319.08	6,399.32
Supplies and materials	16,250.00	3,728.00	19,978.00	19,453.68	524.32
Interest on lease purchase agreement	25,049.00	(11,982.26)	13,066.74	9,813.25	3,253.49
Total undistributed expenditure central services	\$ 470,176.00	\$ 57,039.65	\$ 527,215.65	\$ 489,488.81	\$ 37,726.84
Admin info technology:					
Salaries	\$ 446,821.00	\$ (4,579.00)	\$ 442,242.00	\$ 327,309.40	\$ 114,932.60
Other purchased services (400-500 series)	76,650.00	(46,612.90)	30,037.10	28,729.86	1,307.24
Total admin info technology	\$ 523,471.00	\$ (51,191.90)	\$ 472,279.10	\$ 356,039.26	\$ 116,239.84

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Required maint for sch fac:					
Salaries	\$ 164,985.00	\$ 20,000.00	\$ 184,985.00	\$ 156,479.96	\$ 28,505.04
Cleaning, repair, and maintenance services	453,017.77	1,072,939.61	1,525,957.38	1,067,495.33	458,462.05
General supplies	55,150.00	136,580.24	191,730.24	187,038.45	4,691.79
Total required maint for sch fac.	\$ 673,152.77	\$ 1,229,519.85	\$ 1,902,672.62	\$ 1,411,013.74	\$ 491,658.88
Custodial services:					
Salaries	\$ 976,822.00	\$ (326.06)	\$ 976,495.94	\$ 840,886.80	\$ 135,609.14
Purchased professional and technical services	611,550.00	29,000.00	640,550.00	640,106.43	443.57
Cleaning, repair, and maintenance services	375,354.89	(315,186.40)	60,168.49	59,755.87	412.62
Rental and land & bldg other than lease pur agrmt	400,000.00	143,991.76	543,991.76	496,263.70	47,728.06
Insurance	222,106.00	(32,067.47)	190,038.53	190,038.53	
General supplies	272,833.88	(88,070.05)	184,763.83	168,914.77	15,849.06
Energy (natural gas)	273,758.00		273,758.00	238,039.02	35,718.98
Energy (electricity)	484,380.00	20,344.13	504,724.13	450,820.55	53,903.58
Total custodial services	\$ 3,616,804.77	\$ (242,314.09)	\$ 3,374,490.68	\$ 3,084,825.67	\$ 289,665.01
Care and upkeep of grounds:					
Salaries	\$ 104,435.00	\$ 12,722.74	\$ 117,157.74	\$ 111,810.66	\$ 5,347.08
Cleaning, repair, and maintenance services	20,000.00	(18,868.08)	1,131.92		1,131.92
General supplies	15,000.00	5,307.04	20,307.04	19,221.29	1,085.75
Total care and upkeep of grounds	\$ 139,435.00	\$ (838.30)	\$ 138,596.70	\$ 131,031.95	\$ 7,564.75
Security:					
Salaries	\$ 475,554.00	\$ 67,437.15	\$ 542,991.15	\$ 532,760.15	\$ 10,231.00
Cleaning, Repair, and Maintenance Services	65,871.79	44,513.25	110,385.04	90,628.61	19,756.43
General Supplies	20,000.00	19,082.55	39,082.55	32,009.52	7,073.03
Total security	\$ 561,425.79	\$ 131,032.95	\$ 692,458.74	\$ 655,398.28	\$ 37,060.46
Student transportation serv:					
Management fee - ESC & CTSA trans program	\$ 44,673.00	\$ 11,652.00	\$ 56,325.00	\$ 56,324.00	\$ 1.00
Contract Serv. - Aid in Lieu Pymts-Non Pub Sch	51,000.00	(51,000.00)			
Contract Serv. - Aid in Lieu Pymts-Charter Sch	3,000.00	30,000.00	33,000.00	33,000.00	
Contract Serv. - Aid in Lieu Pymts-Choice Sch		47,000.00	47,000.00	47,000.00	
Contr serv (bet home and sch) vendors	493,740.00	(381,986.00)	111,754.00	111,754.00	
Contr serv (oth than bet home & sch) vend	127,665.00	41,294.50	168,959.50	152,389.99	16,569.51
Contract serv (sp ed stds) joint agreements	557,147.00	945,904.24	1,503,051.24	1,462,838.30	40,212.94
Total student trans serv	\$ 1,277,225.00	\$ 642,864.74	\$ 1,920,089.74	\$ 1,863,306.29	\$ 56,783.45

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Unallocated benefits:					
Social security contributions	\$ 557,865.00	\$ (66,802.49)	\$ 491,062.51	\$ 482,316.37	\$ 8,746.14
Other retirement contributions - PERS	599,710.00	(1,535.68)	598,174.32	597,732.55	441.77
TPAF/FICA		228,591.00	228,591.00	228,591.00	
Unemployment compensation	117,293.00		117,293.00		117,293.00
Workmen's compensation	246,780.00	52,521.66	299,301.66	298,098.87	1,202.79
Health benefits	9,484,108.00	(2,226,238.20)	7,257,869.80	7,223,007.37	34,862.43
Tuition reimbursement	144,894.50		144,894.50	118,169.81	26,724.69
Other employee benefits	89,108.00	(37,761.30)	51,346.70	13,991.05	37,355.65
Total unallocated benefits	\$ 11,239,758.50	\$ (2,051,225.01)	\$ 9,188,533.49	\$ 8,961,907.02	\$ 226,626.47
On-behalf TPAF pension contributions (non-budgeted)	\$	\$	\$	\$ 3,835,704.00	\$ (3,835,704.00)
On-behalf TPAF prm contributions (non-budgeted)				1,739,869.00	(1,739,869.00)
On-behalf TPAF long-term disability insurance (non-budgeted)				5,499.00	(5,499.00)
Reimbursed TPAF social security contributions (non-budgeted)				1,512,823.77	(1,512,823.77)
	\$	\$	\$	\$ 7,093,895.77	\$ (7,093,895.77)
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	\$ 31,395,101.72	\$ (791,099.45)	\$ 30,604,002.27	\$ 34,810,782.71	\$ (4,206,780.44)
<b>TOTAL EXPENDITURES - CURRENT EXPENSE</b>	\$ 53,727,787.95	\$ (389,876.24)	\$ 53,337,911.71	\$ 55,531,252.93	\$ (2,193,341.22)
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Regular Programs Instruction:					
Grade 1-5	\$	\$ 41,443.58	\$ 41,443.58	\$ 41,443.58	\$
Grade 6-8		20,163.79	20,163.79	2,151.56	18,012.23
Grade 9-12		2,900.00	2,900.00	2,899.22	0.78
Undistributed expenditures					
Instruction:					
Undist. Expend. - Admin Tech	\$	\$ 718,545.73	\$ 718,545.73	\$ 253,130.68	\$ 465,415.05
Undist. Expend. - Required Maint for School Fac.	18,092.51	153,760.00	171,852.51	20,532.50	151,320.01
Undist. Expend. - Custodial Services	4,305.86	18,712.27	23,018.13	23,009.13	9.00
Undist. Expend. - Care and upkeep of grounds		3,995.00	3,995.00	3,995.00	
Undist. Expend. - Security	17,370.00		17,370.00	17,370.00	
Total equipment	\$ 39,768.37	\$ 959,520.37	\$ 999,288.74	\$ 364,531.67	\$ 634,757.07



BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Facilities acquisition and const. serv.					
Construction services	\$	357,161.00	357,161.00	7,039.04	\$ 350,121.96
Lease purchase agreements - Principal		130,054.87	130,054.87	130,054.87	
Assessment for Debt Service on SDA Funding	15,458.00		15,458.00	15,458.00	
Total facilities acquisition and const. serv.	\$ 15,458.00	\$ 487,215.87	\$ 502,673.87	\$ 152,551.91	\$ 350,121.96
TOTAL CAPITAL OUTLAY	\$ 55,226.37	\$ 1,446,736.24	\$ 1,501,962.61	\$ 517,083.58	\$ 984,879.03
SPECIAL SCHOOLS:					
Adult education - local support serv.					
Salaries	\$ 10,707.00		10,707.00	7,552.20	\$ 3,154.80
Total adult education - local support ser.	\$ 10,707.00		10,707.00	7,552.20	\$ 3,154.80
TOTAL SPECIAL SCHOOLS	\$ 10,707.00		10,707.00	7,552.20	\$ 3,154.80
Transfer of funds to charter school					
TOTAL TRANSFER TO CHARTER SCHOOLS	\$ 516,129.00	\$ 75,773.00	\$ 591,902.00	\$ 566,281.00	\$ 25,621.00
GENERAL FUND GRAND TOTAL	\$ 54,309,850.32	\$ 1,132,633.00	\$ 55,442,483.32	\$ 56,622,169.71	\$ (1,179,686.39)

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2019

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Excess (deficiency) of revenues					
Over (under) expenditures	\$ (4,470,417.32)	\$ (989,372.00)	\$ (5,459,789.32)	\$ 750,062.51	\$ (6,209,851.83)
Other financing sources (uses):					
Transfer from capital projects fund				\$ 202,577.92	
Total other financing sources (uses)				\$ 202,577.92	
Fund balance, July 1				\$ 9,335,679.37	
Fund balance, June 30				\$ 10,288,319.80	
Recapitulation:					
Restricted:					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 2,700,000.00	
Excess Surplus - Current Year				2,800,000.00	
Emergency Reserve				100,000.00	
Capital Reserve				1,262,141.42	
Assigned:					
Encumbrances				2,435,612.90	
Unassigned				990,565.48	
				\$ 10,288,319.80	
Reconciliation to Government Fund Statements					
Last state aid payments not recognized on GAAP basis				\$ (2,542,599.60)	
Fund balance per government funds (GAAP)				\$ 7,745,720.20	

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR FISCAL YEAR ENDED JUNE 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
<b>REVENUES:</b>					
State sources	\$ 563,409.00	\$ 649,764.78	\$ 1,213,173.78	\$ 1,107,277.78	\$ (105,896.00)
Federal sources	1,757,679.00	1,871,038.00	3,628,717.00	2,619,977.18	(1,008,739.82)
Other sources		64,857.83	64,857.83	40,643.94	(24,213.89)
<b>Total revenues</b>	<b>\$ 2,321,088.00</b>	<b>\$ 2,585,660.61</b>	<b>\$ 4,906,748.61</b>	<b>\$ 3,767,898.90</b>	<b>\$ (1,138,849.71)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	\$ 607,465.00	\$ 704,261.78	\$ 1,311,726.78	\$ 1,034,087.87	\$ 277,638.91
Other salaries for instruction	156,550.00	(46,070.00)	110,480.00	110,480.00	
Purchased professional & technical services		122,814.00	122,814.00	91,863.05	30,950.95
Other purchased services		20,229.10	20,229.10	18,479.10	1,750.00
Tuition	520,000.00	410,315.37	930,315.37	867,038.26	63,277.11
General supplies	215,000.00	298,825.36	513,825.36	333,793.78	180,031.58
Other objects	50,000.00	59,536.00	109,536.00	53,091.49	56,444.51
<b>Total instruction</b>	<b>\$ 1,549,015.00</b>	<b>\$ 1,569,911.61</b>	<b>\$ 3,118,926.61</b>	<b>\$ 2,508,833.55</b>	<b>\$ 610,093.06</b>
Support services:					
Other salaries	\$ 200,000.00	\$ 249,660.00	\$ 449,660.00	\$ 359,693.19	\$ 89,966.81
Personal services - employee benefits	120,000.00	126,814.00	246,814.00	246,814.00	
Purchased professional & technical services	202,988.00	354,517.00	557,505.00	278,874.00	278,631.00
Rentals	123,056.00	76,941.00	199,997.00	199,997.00	
Other purchased services	25,100.00	33,598.00	58,698.00	41,275.89	17,422.11
Supplies and materials	100,929.00	174,219.00	275,148.00	132,411.27	142,736.73
<b>Total support services</b>	<b>\$ 772,073.00</b>	<b>\$ 1,015,749.00</b>	<b>\$ 1,787,822.00</b>	<b>\$ 1,259,065.35</b>	<b>\$ 528,756.65</b>
<b>Total expenditures</b>	<b>\$ 2,321,088.00</b>	<b>\$ 2,585,660.61</b>	<b>\$ 4,906,748.61</b>	<b>\$ 3,767,898.90</b>	<b>\$ 1,138,849.71</b>

BOROUGH OF ROSELLE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
BUDGET TO GAAP RECONCILIATION  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	GENERAL FUND	SPECIAL REVENUE FUND
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 57,372,232.22	\$ 3,767,898.90
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and related revenue is recognized.		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	2,407,648.10	56,340.90
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(2,542,599.60)	(58,925.40)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 57,237,280.72	\$ 3,765,314.40
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules	\$ 56,622,169.71	\$ 3,767,898.90
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 purposes		
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 56,622,169.71	\$ 3,767,898.90

**REQUIRED SUPPLEMENTARY INFORMATION – Part III**

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)**

BOROUGH OF ROSELLE SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered-Employee Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2013	0.0553174915%	\$ 10,572,272	\$ 3,666,910.00	288.32%	48.72%
2014	0.0561010543%	10,503,652	3,866,477.00	271.66%	52.08%
2015	0.0535428604%	12,019,299	4,091,708.00	293.75%	47.92%
2016	0.0587539838%	17,401,245	4,185,783.00	415.72%	40.14%
2017	0.0584247595%	13,600,350	4,168,113.00	326.30%	48.10%
2018	0.0577183400%	11,364,453	4,043,955.00	281.02%	53.60%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BOROUGH OF ROSELLE SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN YEARS

Fiscal Year Ending June 30,	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
2014	\$ 369,322	\$ 369,322	\$ -0-	\$ 3,666,910.00	10.07%
2015	460,325	460,325	-0-	3,866,477.00	11.91%
2016	521,962	521,962	-0-	4,091,708.00	12.76%
2017	524,572	524,572	-0-	4,185,783.00	12.53%
2018	524,572	533,095	-0-	4,168,113.00	12.79%
2019	599,386	599,386	-0-	4,043,955.00	14.82%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.



BOROUGH OF ROSELLE SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 TEACHERS PENSION AND ANNUITY FUND  
 LAST TEN YEARS

Measurement Date Ending June 30,	District's Proportionate Share of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability associated with the District	District's Covered-Employee Payroll	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll	State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2013	0.1906939263%	\$ -0-	\$ 96,375,211	18,234,585.00	-0-	528.53%	33.76%
2014	0.1819631913%	-0-	97,253,404	18,394,861.00	-0-	528.70%	33.64%
2015	0.1840877954%	-0-	116,351,348	19,000,141.00	-0-	612.37%	28.71%
2016	0.1855967488%	-0-	146,002,220	19,304,235.00	-0-	756.32%	22.33%
2017	0.1891027528%	-0-	127,499,895	19,165,381.00	-0-	665.26%	25.41%
2018	0.1888478538%	-0-	120,140,948	20,388,048.00	-0-	589.27%	26.49%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BOROUGH OF ROSELLE SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART III  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11
2013	5.55%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12
2013	4.95%	7.90%	07/01/09-06/30/12

**REQUIRED SUPPLEMENTARY INFORMATION - PART IV**

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (GASB 75)**

BOROUGH OF ROSELLE SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN THE DISTRICT'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST TEN YEARS

	<u>Measurement Date Ended June 30,</u>	
	<u>2018</u>	<u>2017</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District		
Balance at 6/30	\$84,600,491	\$90,835,533
Changes for the year:		
Service cost	3,719,265	4,482,833
Interest	3,129,436	2,689,867
Changes of benefit terms		
Differences between expected and actual experience	(10,739,266)	
Changes in assumptions or other inputs	(8,120,382)	(11,520,370)
Membership Contributions	65,396	72,155
Benefit payments - Net	(1,892,171)	(1,959,527)
Net changes	<u>(13,837,722)</u>	<u>(6,235,042)</u>
Balance at 6/30	<u>\$70,762,769</u>	<u>\$84,600,491</u>
Covered Employee Payroll	24,432,003	23,333,494
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	289.63%	362.57%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BOROUGH OF ROSELLE SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Change in benefit terms:     None

Change in assumptions:     The discount rate changed from 3.58% to 3.87% as of  
June 30, 2018.

**OTHER SUPPLEMENTARY INFORMATION**

## **SPECIAL REVENUE FUND DETAIL STATEMENTS**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.



BOROUGH OF ROSELLE SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

REVENUES:	IDEA BASIC	IDEA PRESCHOOL	TITLE I / TITLE I S/A	TITLE II	TITLE III / TITLE III IMMIGRANT	TITLE IV	PERKINS SECONDARY	21ST CENTURY	TECHNOLOGY	NONPUBLIC TEXTBOOK	SECURITY
State sources	\$ 797,385.73	\$ 30,797.26	\$ 1,085,756.17	\$ 109,358.58	\$ 59,570.02	\$ 33,598.35	\$ 11,422.00	\$ 492,089.07	\$ 17,026.00	\$ 22,090.00	\$ 74,572.00
Federal sources											
Other sources											
Total revenues	\$ 797,385.73	\$ 30,797.26	\$ 1,085,756.17	\$ 109,358.58	\$ 59,570.02	\$ 33,598.35	\$ 11,422.00	\$ 492,089.07	\$ 17,026.00	\$ 22,090.00	\$ 74,572.00
EXPENDITURES:											
Instruction:											
Salaries of teachers	\$	\$	\$ 296,725.18	\$ 51,230.00	\$ 47,400.99	\$ 17,727.34	\$	\$ 208,298.58	\$	\$	\$
Other salaries for instruction											
Purchased professional and technical services											
Other purchased services											
Tuition	548,031.11										
General supplies	17,965.87	21,671.00	209,404.00		553.78	12,091.63		29,352.66		22,090.00	74,572.00
Other objects	42,613.73	9,126.26	1,351.50								
Total Instruction	\$ 608,610.71	\$ 30,797.26	\$ 533,609.73	\$ 51,230.00	\$ 47,954.77	\$ 29,818.97	\$ 3,414.00	\$ 299,971.24	\$	\$ 22,090.00	\$ 74,572.00
Support services:											
Other salaries	\$	\$	\$ 247,161.28	\$ 1,283.58	\$	\$	\$	\$ 111,248.33	\$	\$	\$
Personal services - employee benefits	6,121.00		167,025.00	18,666.00	7,577.00	2,497.00		44,928.00			
Purchased professional and technical services	174,819.15		10,000.00	25,467.00				24,090.00	17,026.00		
Rentals											
Other purchased services											
General supplies	7,834.87		124,576.40	12,712.00	4,038.25	1,282.38	8,008.00	11,651.50			
Total support services	\$ 188,775.02	\$	\$ 552,146.44	\$ 58,128.58	\$ 11,615.25	\$ 3,779.38	\$ 8,008.00	\$ 192,117.83	\$ 17,026.00	\$	\$
Total expenditures	\$ 797,385.73	\$ 30,797.26	\$ 1,085,756.17	\$ 109,358.58	\$ 59,570.02	\$ 33,598.35	\$ 11,422.00	\$ 492,089.07	\$ 17,026.00	\$ 22,090.00	\$ 74,572.00

(Continued on next page)

BOROUGH OF ROSELLE SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	NONPUBLIC NURSING	COMPENSATORY EDUCATION	ESL	TRANSPORTATION	EXAMINATION & CLASSIFICATION	CORRECTIVE SPEECH	SUPPLEMENTAL INSTRUCTION	PRESCHOOL AID	LOCAL PROGRAMS	TOTAL
REVENUES:										
State sources	\$ 27,471.85	\$ 125,984.29	\$ 1,380.48	\$ 17,525.00	\$ 44,953.38	\$ 17,321.00	\$ 37,271.00	\$ 721,682.78	\$	\$ 1,107,277.78
Federal sources										2,619,977.18
Other sources									40,643.94	40,643.94
Total revenues	\$ 27,471.85	\$ 125,984.29	\$ 1,380.48	\$ 17,525.00	\$ 44,953.38	\$ 17,321.00	\$ 37,271.00	\$ 721,682.78	\$ 40,643.94	\$ 3,767,898.90
EXPENDITURES:										
Institution:										
Salaries of teachers	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 1,034,087.87
Other salaries for instruction								411,205.78	1,500.00	110,460.00
Purchased professional and technical services										91,863.05
Tuition		125,984.29	1,380.48	17,525.00	44,953.38	17,321.00	37,271.00		18,479.10	18,479.10
General supplies										867,038.26
Other objects										333,793.78
Total institution	\$	\$ 125,984.29	\$ 1,380.48	\$ 17,525.00	\$ 44,953.38	\$ 17,321.00	\$ 37,271.00	\$ 521,685.78	\$ 40,643.94	\$ 2,508,833.55
Support services:										
Other salaries	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 359,693.19
Personal services - employee benefits										246,814.00
Purchased professional and technical services										278,874.00
Rentals	27,471.85							199,997.00		199,997.00
Other purchased services										41,275.89
General supplies										132,411.27
Total support services	\$ 27,471.85	\$	\$	\$	\$	\$	\$	\$ 199,997.00	\$	\$ 1,259,065.35
Total expenditures	\$ 27,471.85	\$ 125,984.29	\$ 1,380.48	\$ 17,525.00	\$ 44,953.38	\$ 17,321.00	\$ 37,271.00	\$ 721,682.78	\$ 40,643.94	\$ 3,767,898.90

BOROUGH OF ROSELLE SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
SCHEDULE OF PRESCHOOL EDUCATION AID PROGRAM EXPENDITURES  
FOR FISCAL YEARS ENDED JUNE 30, 2019

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	\$ 283,803.00	\$ 127,402.78	\$ 411,205.78	\$ 411,205.78	\$
Other salaries	<u>156,550.00</u>	<u>(46,070.00)</u>	<u>110,480.00</u>	<u>110,480.00</u>	
Total instruction	\$ <u>440,353.00</u>	\$ <u>81,332.78</u>	\$ <u>521,685.78</u>	\$ <u>521,685.78</u>	\$
Support services:					
Rental	\$ <u>123,056.00</u>	\$ <u>76,941.00</u>	\$ <u>199,997.00</u>	\$ <u>199,997.00</u>	\$
Total support services	\$ <u>123,056.00</u>	\$ <u>76,941.00</u>	\$ <u>199,997.00</u>	\$ <u>199,997.00</u>	\$
Total expenditures	\$ <u><u>563,409.00</u></u>	\$ <u><u>158,273.78</u></u>	\$ <u><u>721,682.78</u></u>	\$ <u><u>721,682.78</u></u>	\$
<u>Calculation of Budget and Carryover</u>					
			Total Revised 2018-2019 Preschool Education Aid Allocation	\$	589,254.00
			Add: Actual Preschool Education Aid Carryover (June 30, 2018)		<u>132,428.78</u>
			Total Preschool Education Aid Funds Available for 2018-2019 Budget		<u>721,682.78</u>
			Less: 2018-2019 Budgeted Preschool Education Aid		
			(expended, net, including prior year budgeted carryover)		<u>(721,682.78)</u>
			2018-2019 Actual Carryover - Preschool Education Aid	\$	<u><u>\$</u></u>

**CAPITAL PROJECTS FUND DETAIL STATEMENTS**

The capital projects fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE-BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

REVENUES AND OTHER FINANCING SOURCES:	
State grant	\$ <u>(423,287.08)</u>
Total revenues and other financing sources	\$ <u>(423,287.08)</u>
EXPENDITURES AND OTHER FINANCING USES:	
Operating transfer out - capital reserve	\$ <u>202,577.92</u>
Total expenditures and other financing uses	\$ <u>202,577.92</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (625,865.00)
Fund balance - July 1	\$ <u>8,880,937.78</u>
Fund balance - June 30	\$ <u><u>8,255,072.78</u></u>
<u>Reconciliation to GAAP Basis:</u>	
Unrecognized state grant	\$ <u>(4,881,613.76)</u>
Total fund balance - GAAP basis (B-2)	\$ <u><u>3,373,459.02</u></u>

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
NEW EXTERIOR DOORS, BOILER, CCTV SECURITY SYSTEM - DR. CHARLES C. POLK SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 144,645.00	\$	\$ 144,645.00	\$ 144,645.00
Transfer - Capital outlay	33,507.00		33,507.00	33,507.00
Transfer - Capital reserve	<u>58,656.00</u>		<u>58,656.00</u>	<u>58,656.00</u>
Total revenues and other financing sources	<u>\$ 236,808.00</u>	<u>\$</u>	<u>\$ 236,808.00</u>	<u>\$ 236,808.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 7,039.00	\$	\$ 7,039.00	\$
Construction services	<u>56,414.00</u>		<u>56,414.00</u>	
Total expenditures and other financing uses	<u>\$ 63,453.00</u>	<u>\$</u>	<u>\$ 63,453.00</u>	<u>\$ 236,808.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 173,355.00</u>	<u>\$</u>	<u>\$ 173,355.00</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-030-009-1009			
Grant date	6/2/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$236,808.00			
Additional authorized cost	N/A			
Revised authorized cost	\$236,808.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	26.80%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
SCIENCE LAB RENOVATIONS & NEW LOCKERS - ABRAHAM CLARK HIGH SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 902,718.00	\$ (423,287.08)	\$ 479,430.92	\$ 902,718.00
Transfer - Capital outlay	<u>575,186.00</u>	<u>(202,577.92)</u>	<u>372,608.08</u>	<u>575,186.00</u>
Total revenues and other financing sources	<u>\$ 1,477,904.00</u>	<u>\$ (625,865.00)</u>	<u>\$ 852,039.00</u>	<u>\$ 1,477,904.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 85,494.00	\$	\$ 85,494.00	\$
Construction services	<u>766,545.00</u>	<u></u>	<u>766,545.00</u>	<u></u>
Total expenditures and other financing uses	<u>\$ 852,039.00</u>	<u>\$</u>	<u>\$ 852,039.00</u>	<u>\$ 1,477,904.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 625,865.00</u>	<u>\$ (625,865.00)</u>	<u>\$</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-010-09-1005			
Grant date	6/2/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$1,477,904.00			
Additional authorized cost	N/A			
Revised authorized cost	\$1,477,904.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	100.00%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
UPGRADE ELECTRICAL SERVICES - HARRISON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 36,587.00	\$	\$ 36,587.00	\$ 36,587.00
Transfer - Capital reserve	<u>23,313.00</u>	<u>                    </u>	<u>23,313.00</u>	<u>23,313.00</u>
Total revenues and other financing sources	<u>\$ 59,900.00</u>	<u>\$</u>	<u>\$ 59,900.00</u>	<u>\$ 59,900.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	<u>\$ 7,815.00</u>	<u>\$</u>	<u>\$ 7,815.00</u>	<u>\$</u>
Total expenditures and other financing uses	<u>\$ 7,815.00</u>	<u>\$</u>	<u>\$ 7,815.00</u>	<u>\$ 59,900.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 52,085.00</u>	<u>\$</u>	<u>\$ 52,085.00</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-020-09-1002			
Grant date	6/2/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$59,900.00			
Additional authorized cost	N/A			
Revised authorized cost	\$59,900.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	13.05%			



BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
NEW INTERCOM AND CCTV SECURITY SYSTEM - WILDAY MIDDLE SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 45,201.00	\$	\$ 45,201.00	\$ 45,201.00
Transfer - Capital reserve	<u>28,800.00</u>	<u></u>	<u>28,800.00</u>	<u>28,800.00</u>
Total revenues and other financing sources	<u>\$ 74,001.00</u>	<u>\$</u>	<u>\$ 74,001.00</u>	<u>\$ 74,001.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 8,968.00	\$	\$ 8,968.00	\$
Construction services	<u>61,114.44</u>	<u></u>	<u>61,114.44</u>	<u></u>
Total expenditures and other financing uses	<u>\$ 70,082.44</u>	<u>\$</u>	<u>\$ 70,082.44</u>	<u>\$ 74,001.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 3,918.56</u>	<u>\$</u>	<u>\$ 3,918.56</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-060-09-1007			
Grant date	6/2/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$74,001.00			
Additional authorized cost	N/A			
Revised authorized cost	\$74,001.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	94.70%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
NEW INTERCOM AND CCTV SECURITY SYSTEM - WASHINGTON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 45,201.00	\$	\$ 45,201.00	\$ 45,201.00
Transfer - Capital reserve	<u>28,800.00</u>	<u>                    </u>	<u>28,800.00</u>	<u>28,800.00</u>
Total revenues and other financing sources	<u>\$ 74,001.00</u>	<u>\$</u>	<u>\$ 74,001.00</u>	<u>\$ 74,001.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 7,039.00	\$	\$ 7,039.00	\$
Construction services	<u>57,061.05</u>	<u>                    </u>	<u>57,061.05</u>	<u>                    </u>
Total expenditures and other financing uses	<u>\$ 64,100.05</u>	<u>\$</u>	<u>\$ 64,100.05</u>	<u>\$ 74,001.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 9,900.95</u>	<u>\$</u>	<u>\$ 9,900.95</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-050-09-1010			
Grant date	6/2/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$74,001.00			
Additional authorized cost	N/A			
Revised authorized cost	\$74,001.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	86.62%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
NEW INTERCOM AND CCTV SECURITY SYSTEM - LEONARD V. MOORE MIDDLE SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 45,201.00	\$	\$ 45,201.00	\$ 45,201.00
Transfer - Capital reserve	<u>28,800.00</u>	<u></u>	<u>28,800.00</u>	<u>28,800.00</u>
Total revenues and other financing sources	<u>\$ 74,001.00</u>	<u>\$</u>	<u>\$ 74,001.00</u>	<u>\$ 74,001.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 7,948.00	\$	\$ 7,948.00	\$
Construction services	<u>48,616.23</u>	<u></u>	<u>48,616.23</u>	<u></u>
Total expenditures and other financing uses	<u>\$ 56,564.23</u>	<u>\$</u>	<u>\$ 56,564.23</u>	<u>\$ 74,001.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 17,436.77</u>	<u>\$</u>	<u>\$ 17,436.77</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-040-09-1006			
Grant date	6/2/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$74,001.00			
Additional authorized cost	N/A			
Revised authorized cost	\$74,001.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	76.44%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
INTERCOM PA SYSTEM REPLACEMENT AND NEW SECURITY SYSTEM - HARRISON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 99,442.00	\$	\$ 99,442.00	\$ 99,442.00
Transfer - Capital reserve	<u>63,362.00</u>	<u></u>	<u>63,362.00</u>	<u>63,362.00</u>
Total revenues and other financing sources	<u>\$ 162,804.00</u>	<u>\$</u>	<u>\$ 162,804.00</u>	<u>\$ 162,804.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 7,039.00	\$	\$ 7,039.00	\$
Construction services	<u>56,558.00</u>	<u></u>	<u>56,558.00</u>	<u></u>
Total expenditures and other financing uses	<u>\$ 63,597.00</u>	<u>\$</u>	<u>\$ 63,597.00</u>	<u>\$ 162,804.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 99,207.00</u>	<u>\$</u>	<u>\$ 99,207.00</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-020-09-1008			
Grant date	6/2/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$162,804.00			
Additional authorized cost	N/A			
Revised authorized cost	\$162,804.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	39.06%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
ROOF REPLACEMENT AND PARAPET WALL REPAIR - WASHINGTON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 432,812.00	\$	\$ 432,812.00	\$ 432,812.00
Transfer - Capital reserve	<u>273,688.00</u>	<u></u>	<u>273,688.00</u>	<u>273,688.00</u>
Total revenues and other financing sources	<u>\$ 706,500.00</u>	<u>\$</u>	<u>\$ 706,500.00</u>	<u>\$ 706,500.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 67,375.05	\$	\$ 67,375.05	\$
Construction services	<u>206,080.00</u>	<u></u>	<u>206,080.00</u>	<u></u>
Total expenditures and other financing uses	<u>\$ 273,455.05</u>	<u>\$</u>	<u>\$ 273,455.05</u>	<u>\$ 706,500.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 433,044.95</u>	<u>\$</u>	<u>\$ 433,044.95</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-050-10-1010			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$706,500.00			
Additional authorized cost	N/A			
Revised authorized cost	\$706,500.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	38.71%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
ROOF REPLACEMENT - HARRISON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 367,201.00	\$	\$ 367,201.00	\$ 367,201.00
Transfer - Capital reserve	<u>232,199.00</u>	<u></u>	<u>232,199.00</u>	<u>232,199.00</u>
Total revenues and other financing sources	<u>\$ 599,400.00</u>	<u>\$</u>	<u>\$ 599,400.00</u>	<u>\$ 599,400.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 58,819.16	\$	\$ 58,819.16	\$
Construction services	<u>228,000.00</u>	<u></u>	<u>228,000.00</u>	<u></u>
Total expenditures and other financing uses	<u>\$ 286,819.16</u>	<u>\$</u>	<u>\$ 286,819.16</u>	<u>\$ 599,400.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 312,580.84</u>	<u>\$</u>	<u>\$ 312,580.84</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-020-10-1003			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$599,400.00			
Additional authorized cost	N/A			
Revised authorized cost	\$599,400.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	47.85%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
INTERIOR DOOR REPLACEMENT - HARRISON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 171,287.00	\$	\$ 171,287.00	\$ 171,287.00
Transfer - Capital outlay	108,313.00	_____	108,313.00	108,313.00
Total revenues and other financing sources	\$ 279,600.00	\$ _____	\$ 279,600.00	\$ 279,600.00
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$	\$	\$	\$
Construction services	_____	_____	_____	_____
Total expenditures and other financing uses	\$ _____	\$ _____	\$ _____	\$ 279,600.00
Excess (deficiency) of revenues over (under) expenditures	\$ 279,600.00	\$ _____	\$ 279,600.00	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-020-10-1002			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$279,600.00			
Additional authorized cost	N/A			
Revised authorized cost	\$279,600.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	100%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - HARRISON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - Grant	\$ 115,325.00	\$	\$ 115,325.00	\$ 115,325.00
Transfer - Capital reserve	<u>72,925.00</u>	<u></u>	<u>72,925.00</u>	<u>72,925.00</u>
Total revenues and other financing sources	<u>\$ 188,250.00</u>	<u>\$</u>	<u>\$ 188,250.00</u>	<u>\$ 188,250.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	\$ 19,524.42	\$	\$ 19,524.42	\$
Construction services	<u>159,500.00</u>	<u></u>	<u>159,500.00</u>	<u></u>
Total expenditures and other financing uses	<u>\$ 179,024.42</u>	<u>\$</u>	<u>\$ 179,024.42</u>	<u>\$ 188,250.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 9,225.58</u>	<u>\$</u>	<u>\$ 9,225.58</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	4540-020-10-1017			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$188,250.00			
Additional authorized cost	N/A			
Revised authorized cost	\$188,250.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	95.10%			



BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
ELECTRICAL SERVICE UPGRADE - DR. CHARLES C. POLK SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 370,142.00	\$	\$ 370,142.00	\$ 370,142.00
Transfer - Capital reserve	<u>234,058.00</u>	<u>                    </u>	<u>234,058.00</u>	<u>234,058.00</u>
Total revenues and other financing sources	<u>\$ 604,200.00</u>	<u>\$</u>	<u>\$ 604,200.00</u>	<u>\$ 604,200.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 74,999.99	\$	\$ 74,999.99	\$
Construction services	<u>529,200.01</u>	<u>                    </u>	<u>529,200.01</u>	<u>                    </u>
Total expenditures and other financing uses	<u>\$ 604,200.00</u>	<u>\$</u>	<u>\$ 604,200.00</u>	<u>\$ 604,200.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$</u>	<u>\$</u>	<u>\$</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-030-10-1020			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$604,200.00			
Additional authorized cost	N/A			
Revised authorized cost	\$604,200.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	100.00%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - DR. CHARLES C. POLK SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 110,393.00	\$	\$ 110,393.00	\$ 110,393.00
Transfer - Capital reserve	<u>69,807.00</u>	<u></u>	<u>69,807.00</u>	<u>69,807.00</u>
Total revenues and other financing sources	<u>\$ 180,200.00</u>	<u>\$</u>	<u>\$ 180,200.00</u>	<u>\$ 180,200.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 18,227.89	\$	\$ 18,227.89	\$
Construction services	<u>154,000.00</u>	<u></u>	<u>154,000.00</u>	<u></u>
Total expenditures and other financing uses	<u>\$ 172,227.89</u>	<u>\$</u>	<u>\$ 172,227.89</u>	<u>\$ 180,200.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 7,972.11</u>	<u>\$</u>	<u>\$ 7,972.11</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-030-10-1021			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$180,200.00			
Additional authorized cost	N/A			
Revised authorized cost	\$180,200.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	95.58%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - LEONARD V. MOORE MIDDLE SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 118,847.00	\$	\$ 118,847.00	\$ 118,847.00
Transfer - Capital reserve	<u>75,153.00</u>	<u>                    </u>	<u>75,153.00</u>	<u>75,153.00</u>
Total revenues and other financing sources	<u>\$ 194,000.00</u>	<u>\$</u>	<u>\$ 194,000.00</u>	<u>\$ 194,000.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 20,132.70	\$	\$ 20,132.70	\$
Construction services	<u>150,000.00</u>	<u>                    </u>	<u>150,000.00</u>	<u>                    </u>
Total expenditures and other financing uses	<u>\$ 170,132.70</u>	<u>\$</u>	<u>\$ 170,132.70</u>	<u>\$ 194,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 23,867.30</u>	<u>\$</u>	<u>\$ 23,867.30</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-040-10-1022			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$194,000.00			
Additional authorized cost	N/A			
Revised authorized cost	\$194,000.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	87.70%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
WINDOWS AND EXTERIOR DOOR REPLACEMENT - LEONARD V. MOORE MIDDLE SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 394,800.00	\$	\$ 394,800.00	\$ 394,800.00
Transfer - Capital outlay	<u>249,650.00</u>	<u></u>	<u>249,650.00</u>	<u>249,650.00</u>
Total revenues and other financing sources	<u>\$ 644,450.00</u>	<u>\$</u>	<u>\$ 644,450.00</u>	<u>\$ 644,450.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 64,895.30	\$	\$ 64,895.30	\$
Construction services	<u>558,000.00</u>	<u></u>	<u>558,000.00</u>	<u></u>
Total expenditures and other financing uses	<u>\$ 622,895.30</u>	<u>\$</u>	<u>\$ 622,895.30</u>	<u>\$ 644,450.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 21,554.70</u>	<u>\$</u>	<u>\$ 21,554.70</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-040-10-1024			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$644,450.00			
Additional authorized cost	N/A			
Revised authorized cost	\$644,450.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	96.66%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
WINDOWS AND EXTERIOR DOOR REPLACEMENT - HARRISON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - Grant	\$ 340,767.00	\$	\$ 340,767.00	\$ 340,767.00
Transfer - Capital outlay	<u>215,483.00</u>	<u>                    </u>	<u>215,483.00</u>	<u>215,483.00</u>
Total revenues and other financing sources	<u>\$ 556,250.00</u>	<u>\$</u>	<u>\$ 556,250.00</u>	<u>\$ 556,250.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	\$ 69,615.51	\$	\$ 69,615.51	\$
Construction services	<u>440,000.00</u>	<u>                    </u>	<u>440,000.00</u>	<u>                    </u>
Total expenditures and other financing uses	<u>\$ 509,615.51</u>	<u>\$</u>	<u>\$ 509,615.51</u>	<u>\$ 556,250.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 46,634.49</u>	<u>\$</u>	<u>\$ 46,634.49</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	4540-020-10-1018			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$556,250.00			
Additional authorized cost	N/A			
Revised authorized cost	\$556,250.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	91.62%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
WINDOWS AND EXTERIOR DOOR REPLACEMENT - WASHINGTON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 335,390.00	\$	\$ 335,390.00	\$ 335,390.00
Transfer - Capital outlay	<u>212,083.00</u>	<u>                    </u>	<u>212,083.00</u>	<u>212,083.00</u>
Total revenues and other financing sources	<u>\$ 547,473.00</u>	<u>\$</u>	<u>\$ 547,473.00</u>	<u>\$ 547,473.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 52,435.97	\$	\$ 52,435.97	\$
Construction services	<u>475,000.00</u>	<u>                    </u>	<u>475,000.00</u>	<u>                    </u>
Total expenditures and other financing uses	<u>\$ 527,435.97</u>	<u>\$</u>	<u>\$ 527,435.97</u>	<u>\$ 547,473.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 20,037.03</u>	<u>\$</u>	<u>\$ 20,037.03</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-050-10-1025			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$547,473.00			
Additional authorized cost	N/A			
Revised authorized cost	\$547,473.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	96.34%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
WINDOW AND EXTERIOR DOOR REPLACEMENT - WILDAY MIDDLE SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 193,893.00	\$	\$ 193,893.00	\$ 193,893.00
Transfer - Capital outlay	<u>122,607.00</u>	<u>                    </u>	<u>122,607.00</u>	<u>122,607.00</u>
Total revenues and other financing sources	<u>\$ 316,500.00</u>	<u>\$</u>	<u>\$ 316,500.00</u>	<u>\$ 316,500.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 35,291.50	\$	\$ 35,291.50	\$
Construction services	<u>275,000.00</u>	<u>                    </u>	<u>275,000.00</u>	<u>                    </u>
Total expenditures and other financing uses	<u>\$ 310,291.50</u>	<u>\$</u>	<u>\$ 310,291.50</u>	<u>\$ 316,500.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 6,208.50</u>	<u>\$</u>	<u>\$ 6,208.50</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-060-10-1028			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$316,500.00			
Additional authorized cost	N/A			
Revised authorized cost	\$316,500.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	98.04%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
DOOR REPLACEMENT - WILDAY MIDDLE SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 141,146.00	\$	\$ 141,146.00	\$ 141,146.00
Transfer - Capital outlay	<u>89,254.00</u>	<u></u>	<u>89,254.00</u>	<u>89,254.00</u>
Total revenues and other financing sources	<u>\$ 230,400.00</u>	<u>\$</u>	<u>\$ 230,400.00</u>	<u>\$ 230,400.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$	\$	\$	\$
Construction services	<u></u>	<u></u>	<u></u>	<u></u>
Total expenditures and other financing uses	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 230,400.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 230,400.00</u>	<u>\$</u>	<u>\$ 230,400.00</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-060-10-1030			
Grant date	5/23/12			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$230,400.00			
Additional authorized cost	N/A			
Revised authorized cost	\$230,400.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	100%			



BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - ABRAHAM CLARK HIGH SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 94,343.00	\$	\$ 94,343.00	\$ 94,343.00
Transfer - Capital reserve	59,657.00	_____	59,657.00	59,657.00
<b>Total revenues and other financing sources</b>	<b>\$ 154,000.00</b>	<b>\$ _____</b>	<b>\$ 154,000.00</b>	<b>\$ 154,000.00</b>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$	\$	\$	\$
Construction services	_____	_____	_____	_____
<b>Total expenditures and other financing uses</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ 154,000.00</b>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 154,000.00</u>	<u>\$ _____</u>	<u>\$ 154,000.00</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-010-10-1016			
Grant date	9/8/16			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$154,000.00			
Additional authorized cost	N/A			
Revised authorized cost	\$154,000.00			
Percentage increase over original authorized cost	N/A			
Percentage completion				

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - WASHINGTON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 87,175.00	\$	\$ 87,175.00	\$ 87,175.00
Transfer - Capital outlay	<u>55,125.00</u>	<u>                    </u>	<u>55,125.00</u>	<u>55,125.00</u>
Total revenues and other financing sources	<u>\$ 142,300.00</u>	<u>\$</u>	<u>\$ 142,300.00</u>	<u>\$ 142,300.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$ 14,230.00	\$	\$ 14,230.00	\$
Construction services	<u>128,070.00</u>	<u>                    </u>	<u>128,070.00</u>	<u>                    </u>
Total expenditures and other financing uses	<u>\$ 142,300.00</u>	<u>\$</u>	<u>\$ 142,300.00</u>	<u>\$ 142,300.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$</u>	<u>\$</u>	<u>\$</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-010-10-1016			
Grant date	9/8/16			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$142,300.00			
Additional authorized cost	N/A			
Revised authorized cost	\$142,300.00			
Percentage increase over original authorized cost	N/A			
Percentage completion	100.00%			

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - WILDAY MIDDLE SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 109,646.00	\$	\$ 109,646.00	\$ 109,646.00
Transfer - Capital outlay	69,334.00	_____	69,334.00	69,334.00
Total revenues and other financing sources	\$ 178,980.00	\$ _____	\$ 178,980.00	\$ 178,980.00
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$	\$	\$	\$
Construction services	_____	_____	_____	_____
Total expenditures and other financing uses	\$ _____	\$ _____	\$ _____	\$ 178,980.00
Excess (deficiency) of revenues over (under) expenditures	\$ 178,980.00	\$ _____	\$ 178,980.00	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-060-10-1028			
Grant date	9/8/16			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$178,980.00			
Additional authorized cost	N/A			
Revised authorized cost	\$178,980.00			
Percentage increase over original authorized cost	N/A			
Percentage completion				

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
NEW HVAC, ASSOCIATED PIPING & ELECTRICAL - ABRAHAM CLARK HIGH SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 1,805,881.00	\$	\$ 1,805,881.00	\$ 1,805,881.00
Transfer - Capital outlay	<u>1,235,470.00</u>	<u></u>	<u>1,235,470.00</u>	<u>1,235,470.00</u>
Total revenues and other financing sources	<u>\$ 3,041,351.00</u>	<u>\$</u>	<u>\$ 3,041,351.00</u>	<u>\$ 3,041,351.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$	\$	\$	\$
Construction services	<u></u>	<u></u>	<u></u>	<u></u>
Total expenditures and other financing uses	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,041,351.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 3,041,351.00</u>	<u>\$</u>	<u>\$ 3,041,351.00</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-010-14-1006			
Grant date	9/8/16			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$3,041,351.00			
Additional authorized cost	N/A			
Revised authorized cost	\$3,041,351.00			
Percentage increase over original authorized cost	N/A			
Percentage completion				

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
REPLACEMENT OF DOMESTIC WATER & DISTRIBUTION LINES - WASHINGTON ELEMENTARY SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 290,744.00	\$	\$ 290,744.00	\$ 290,744.00
Transfer - Capital reserve	<u>198,909.00</u>	<u></u>	<u>198,909.00</u>	<u>198,909.00</u>
Total revenues and other financing sources	<u>\$ 489,653.00</u>	<u>\$</u>	<u>\$ 489,653.00</u>	<u>\$ 489,653.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$	\$	\$	\$
Construction services	<u></u>	<u></u>	<u></u>	<u></u>
Total expenditures and other financing uses	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 489,653.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 489,653.00</u>	<u>\$</u>	<u>\$ 489,653.00</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-050-14-1013			
Grant date	9/8/16			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$489,653.00			
Additional authorized cost	N/A			
Revised authorized cost	\$489,653.00			
Percentage increase over original authorized cost	N/A			
Percentage completion				

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
NEW HVAC, ASSOCIATED PIPING & ELECTRICAL - WILDAY MIDDLE SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 1,520,165.00	\$	\$ 1,520,165.00	\$ 1,520,165.00
Transfer - Capital outlay	<u>1,040,000.00</u>	<u></u>	<u>1,040,000.00</u>	<u>1,040,000.00</u>
Total revenues and other financing sources	<u>\$ 2,560,165.00</u>	<u>\$</u>	<u>\$ 2,560,165.00</u>	<u>\$ 2,560,165.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$	\$	\$	\$
Construction services	<u></u>	<u></u>	<u></u>	<u></u>
Total expenditures and other financing uses	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,560,165.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 2,560,165.00</u>	<u>\$</u>	<u>\$ 2,560,165.00</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-060-14-1015			
Grant date	9/8/16			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$2,560,165.00			
Additional authorized cost	N/A			
Revised authorized cost	\$2,560,165.00			
Percentage increase over original authorized cost	N/A			
Percentage completion				

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS  
UNBUNDLED PROJECT, COMMUNICATIONS, LIFE SAFETY - POLK SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - Grant	\$ 49,815.00	\$	\$ 49,815.00	\$ 49,815.00
Transfer - Capital outlay	<u>34,080.00</u>	<u></u>	<u>34,080.00</u>	<u>34,080.00</u>
Total revenues and other financing sources	<u>\$ 83,895.00</u>	<u>\$</u>	<u>\$ 83,895.00</u>	<u>\$ 83,895.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	\$	\$	\$	\$
Construction services	<u></u>	<u></u>	<u></u>	<u></u>
Total expenditures and other financing uses	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 83,895.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 83,895.00</u>	<u>\$</u>	<u>\$ 83,895.00</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	4540-030-14-1009			
Grant date	9/8/16			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$83,895.00			
Additional authorized cost	N/A			
Revised authorized cost	\$83,895.00			
Percentage increase over original authorized cost	N/A			
Percentage completion				

BOROUGH OF ROSELLE SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

ISSUE / PROJECT TITLE	ORIGINAL DATE	APPROPRIATION	EXPENDITURES TO DATE *		(MEMO ONLY) UNEXPENDED BALANCE JUNE 30, 2019
			PRIOR YEARS	CURRENT YEAR	
New Exterior Doors, Boiler, CCTV Security System - Dr. Charles C. Polk School	6/2/10	236,808.00	63,453.00		173,355.00
Science Lab Renovations & New Lockers - Abraham Clark High School	6/2/10	1,477,904.00	852,039.00	625,865.00	
Upgrade Electrical Services - Harrison Elementary School	6/2/10	59,900.00	7,815.00		52,085.00
New Intercom and CCTV Security System - Wilday Middle School	6/2/10	74,001.00	70,082.44		3,918.56
New Intercom and CCTV Security System - Washington Elementary School	6/2/10	74,001.00	64,100.05		9,900.95
New Intercom and CCTV Security System - Leonard V. Moore Middle School	6/2/10	74,001.00	56,564.23		17,436.77
Intercom PA System Replacement and New Security System - Harrison Elementary School	6/2/10	162,804.00	63,597.00		99,207.00
Roof Replacement and Parapet Wall Repair - Washington Elementary School	5/23/12	706,500.00	273,455.05		433,044.95
Roof Replacement - Harrison Elementary School	5/23/12	599,400.00	286,819.16		312,580.84
Interior Door Replacement - Harrison Elementary School	5/23/12	279,600.00			279,600.00
Brick Pointing, Power Cleaning, Lintel Replacement - Harrison Elementary School	5/23/12	188,250.00	179,024.42		9,225.58
Electrical Service Upgrade - Dr. Charles C. Polk School	5/23/12	604,200.00	604,200.00		
Brick Pointing, Power Cleaning, Lintel Replacement - Dr. Charles C. Polk School	5/23/12	180,200.00	172,227.89		7,972.11
Brick Pointing, Power Cleaning, Lintel Replacement - Leonard V. Moore Middle School	5/23/12	194,000.00	170,132.70		23,867.30
Windows and Exterior Door Replacement - Leonard V. Moore Middle School	5/23/12	644,450.00	622,895.30		21,554.70
Windows and Exterior Door Replacement - Harrison Elementary School	5/23/12	556,250.00	509,615.51		46,634.49
Windows and Exterior Door Replacement - Washington Elementary School	5/23/12	547,473.00	527,435.97		20,037.03
Window and Exterior Door Replacement - Wilday Middle School	5/23/12	316,500.00	310,291.50		6,208.50
Door Replacement - Wilday Middle School	5/23/12	230,400.00			230,400.00
Brick Pointing, Power Cleaning, Lintel Replacement - Abraham Clark High School	9/8/16	154,000.00			154,000.00
Brick Pointing, Power Cleaning, Lintel Replacement - Washington Elementary School	9/8/16	142,300.00	142,300.00		
Brick Pointing, Power Cleaning, Lintel Replacement - Wilday Middle School	9/8/16	178,980.00			178,980.00
New HVAC, Associated Piping & Electrical - Abraham Clark High School	9/8/16	3,041,351.00			3,041,351.00
Replacement of Domestic Water & Distribution Lines - Washington Elementary School	9/8/16	489,653.00			489,653.00
New HVAC, Associated Piping & Electrical - Wilday Middle School	9/8/16	2,560,165.00			2,560,165.00
Unbundled Project, Communications, Life Safety - Polk School	9/8/16	83,895.00			83,895.00

\$ 13,856,986.00    \$ 4,976,048.22    \$ 625,865.00    \$ 8,255,072.78

\* - includes adjustments for project close-outs



**PROPRIETARY FUND DETAIL STATEMENTS**

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

**Food Services Fund:** This fund provides for the operation of food services within the school district.

**Community School Fund:** This fund provides for the operation of a community school within the school district.

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
JUNE 30, 2019

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>			
	<u>FOOD</u> <u>SERVICE</u>	<u>COMMUNITY</u> <u>SCHOOL</u>	<u>FY 2019</u> <u>TOTAL</u>	<u>FY 2018</u> <u>TOTAL</u>
<b>ASSETS:</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 798,900.93	\$ 2,077.52	\$ 800,978.45	\$ 299,129.75
Accounts receivable:				
State	1,624.36		1,624.36	10,266.83
Federal	127,216.42		127,216.42	666,106.79
Other	151,381.70		151,381.70	128,606.04
Inventories	<u>88,537.95</u>		<u>88,537.95</u>	<u>61,614.74</u>
Total current assets	<u>\$ 1,167,661.36</u>	<u>\$ 2,077.52</u>	<u>\$ 1,169,738.88</u>	<u>\$ 1,165,724.15</u>
<b>Noncurrent assets:</b>				
Furniture, machinery & equipment	\$ 290,093.11		\$ 290,093.11	\$ 259,689.99
Less accumulated depreciation	<u>(113,640.93)</u>		<u>(113,640.93)</u>	<u>(97,058.93)</u>
Total noncurrent assets	<u>\$ 176,452.18</u>		<u>\$ 176,452.18</u>	<u>\$ 162,631.06</u>
Total assets	<u>\$ 1,344,113.54</u>	<u>\$ 2,077.52</u>	<u>\$ 1,346,191.06</u>	<u>\$ 1,328,355.21</u>
<b>LIABILITIES:</b>				
<b>Current liabilities:</b>				
Unearned revenue	\$ 24,119.73		\$ 24,119.73	\$ 15,845.21
Interfunds payable	1,017,966.54		1,017,966.54	1,017,966.54
Accounts payable			<u>0.00</u>	<u>20,413.46</u>
Total current liabilities	<u>\$ 1,042,086.27</u>		<u>\$ 1,042,086.27</u>	<u>\$ 1,054,225.21</u>
Total liabilities	<u>\$ 1,042,086.27</u>		<u>\$ 1,042,086.27</u>	<u>\$ 1,054,225.21</u>
<b>NET POSITION:</b>				
Net investments in capital assets	\$ 176,452.18		\$ 176,452.18	\$ 162,631.06
Unrestricted	<u>125,575.09</u>	<u>2,077.52</u>	<u>127,652.61</u>	<u>111,498.94</u>
Total net position	<u>\$ 302,027.27</u>	<u>\$ 2,077.52</u>	<u>\$ 304,104.79</u>	<u>\$ 274,130.00</u>

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND			
	<u>FOOD SERVICE</u>	<u>COMMUNITY SCHOOL</u>	<u>FY 2019 TOTAL</u>	<u>FY 2018 TOTAL</u>
<b>OPERATING REVENUES:</b>				
Charges for services:				
Sales-Reimbursable	\$ 361,267.53	\$	\$ 361,267.53	\$ 240,533.56
Sales-Nonreimbursable	44,651.04		44,651.04	164,962.00
Miscellaneous Revenue		1,993.15	1,993.15	75.00
<b>Total operating revenues</b>	<b>\$ 405,918.57</b>	<b>\$ 1,993.15</b>	<b>\$ 407,911.72</b>	<b>\$ 405,570.56</b>
<b>OPERATING EXPENSES:</b>				
Cost of sales-Reimbursable	\$ 914,176.12	\$	\$ 914,176.12	\$ 757,537.00
Cost of sales-Nonreimbursable	74,030.00		74,030.00	286,421.76
Salaries	682,550.60		682,550.60	686,083.67
Employee benefits	163,773.26		163,773.26	155,936.40
Other purchased services	49,440.00		49,440.00	48,000.00
Miscellaneous Expenses	125,408.80		125,408.80	94,868.10
Depreciation	16,582.00		16,582.00	15,141.65
<b>Total operating expenses</b>	<b>\$ 2,025,960.78</b>	<b>\$ 0.00</b>	<b>\$ 2,025,960.78</b>	<b>\$ 2,043,988.58</b>
<b>Operating income (loss)</b>	<b>\$ (1,620,042.21)</b>	<b>\$ 1,993.15</b>	<b>\$ (1,618,049.06)</b>	<b>\$ (1,638,418.02)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
State sources				
School lunch program	\$ 10,540.70		\$ 10,540.70	\$ 20,472.27
Federal sources				
School lunch and PB programs	1,046,630.47		1,046,630.47	997,133.12
School breakfast program	273,050.50		273,050.50	256,919.56
After school snack program	96,534.89		96,534.89	47,945.04
Summer food service program	63,576.32		63,576.32	9,938.57
Fresh fruit & vegetables program	26,141.12		26,141.12	17,393.05
National food distribution commodities	131,549.85		131,549.85	142,658.31
<b>Total nonoperating revenues (expenses)</b>	<b>\$ 1,648,023.85</b>		<b>\$ 1,648,023.85</b>	<b>\$ 1,492,459.92</b>
<b>Net income</b>	<b>\$ 27,981.64</b>	<b>\$ 1,993.15</b>	<b>\$ 29,974.79</b>	<b>\$ (145,958.10)</b>
<b>Total net position - July 1 (As Restated)</b>	<b>274,045.63</b>	<b>84.37</b>	<b>274,130.00</b>	<b>420,088.10</b>
<b>Total net position - June 30</b>	<b>\$ 302,027.27</b>	<b>\$ 2,077.52</b>	<b>\$ 304,104.79</b>	<b>\$ 274,130.00</b>

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>			
	<u>FOOD SERVICE</u>	<u>COMMUNITY SCHOOL</u>	<u>FY 2019 TOTAL</u>	<u>FY 2018 TOTAL</u>
Cash flows from operating activities:				
Receipts from customers	\$ 383,142.91	\$ 1,993.15	\$ 385,136.06	\$ 348,370.56
Payments to employees	(682,550.60)		(682,550.60)	(686,083.67)
Payments to employee benefits	(163,773.26)		(163,773.26)	(155,936.40)
Payment to suppliers	(1,210,391.59)		(1,210,391.59)	(1,292,173.12)
Net cash provided (used for) by operating activities	<u>\$ (1,673,572.54)</u>	<u>\$ 1,993.15</u>	<u>\$ (1,671,579.39)</u>	<u>\$ (1,785,822.63)</u>
Cash flows from noncapital financing activities:				
State sources	\$ 19,183.17		\$ 19,183.17	\$ 11,694.06
Federal sources	2,184,648.04		2,184,648.04	913,808.89
Net cash provided by (used for) noncapital financing activities	<u>\$ 2,203,831.21</u>		<u>\$ 2,203,831.21</u>	<u>\$ 925,502.95</u>
Cash flows from capital and related financing activities				
Purchase of capital assets	\$ (30,403.12)		\$ (30,403.12)	\$ (9,841.44)
Net cash provided by (used for) capital and related financing activities	<u>\$ (30,403.12)</u>		<u>\$ (30,403.12)</u>	<u>\$ (9,841.44)</u>
Net increase (decrease) in cash and cash equivalents	\$ 499,855.55	\$ 1,993.15	\$ 501,848.70	\$ (870,161.12)
Cash and cash equivalents - July 1	299,045.38	84.37	299,129.75	177,259.33
Cash and cash equivalents - June 30	<u>\$ 798,900.93</u>	<u>\$ 2,077.52</u>	<u>\$ 800,978.45</u>	<u>\$ (692,901.79)</u>
Operating income (loss)	\$ (1,620,042.21)	\$ 1,993.15	\$ (1,618,049.06)	\$ (1,638,418.02)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:				
Depreciation	16,582.00		16,582.00	15,141.65
Change in assets and liabilities:				
(Increase) Decrease in Inventory	(26,923.21)		(26,923.21)	(9,083.33)
(Increase) Decrease in accounts receivable	(22,775.66)		(22,775.66)	(57,200.46)
Increase (Decrease) in accounts payable	(20,413.46)		(20,413.46)	(96,262.47)
Net cash provided (used) by operating activities	<u>\$ (1,673,572.54)</u>	<u>\$ 1,993.15</u>	<u>\$ (1,671,579.39)</u>	<u>\$ (1,785,822.63)</u>

<b>FIDUCIARY FUNDS DETAIL STATEMENTS</b>
--

**Fiduciary Funds are used to account for funds received by the district for a specific purpose:**

**Scholarship Funds**

These private purpose trust funds are used to account for assets held by the district for grants to students where there are no restrictions regarding the use of principal and income.

**Agency Funds are used to account for assets held by the district as an agent for another party:**

**Student Activity Funds :**

These agency funds are used to account for student funds held at the schools.

**Payroll Fund:**

This agency fund is used to account for the payroll transactions of the school district.

BOROUGH OF ROSELLE SCHOOL DISTRICT  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2019

	STUDENT ACTIVITY	AGENCY FUNDS PAYROLL & AGENCY	TOTAL AGENCY	PRIVATE PURPOSE AWARD FUND	TOTAL TRUST
ASSETS					
Cash and cash equivalents	\$ 96,406.58	\$ 416,438.76	\$ 512,845.34	\$ 440,788.29	\$ 440,788.29
Total assets	<u>\$ 96,406.58</u>	<u>\$ 416,438.76</u>	<u>\$ 512,845.34</u>	<u>\$ 440,788.29</u>	<u>\$ 440,788.29</u>
LIABILITIES					
Payroll deductions and withholdings (Deficit)	\$	\$ (20,101.82)	\$ (20,101.82)		
Interfund payable		436,540.58	436,540.58		
Due to student groups	96,406.58		96,406.58		
Total liabilities	\$ 96,406.58	\$ 416,438.76	\$ 512,845.34		
NET ASSETS					
Held in Trust for Award				\$ 440,788.29	\$ 440,788.29
Total net assets				<u>\$ 440,788.29</u>	<u>\$ 440,788.29</u>

BOROUGH OF ROSELLE SCHOOL DISTRICT  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	PRIVATE PURPOSE AWARD FUNDS								TOTAL
	OLIVER E. YOUNG	OLIVER E. YOUNG VOCAL	OLIVER E. YOUNG INSTRUMENTAL	EVELYN RUNG	DR. HERBERT I. PULLER	DOHNER TRUST	DARLENE ROBERTO	PLAYGROUND PROJECT	
<b>ADDITIONS</b>									
Contributions:									
Other	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total contributions									5,000.00
Investment earnings:									
Interest	\$ 1,070.72	\$ 0.57	\$ 3.14	\$ 2.21	\$ 5,576.88	\$ 840.11	\$ 11.55	\$ 19.47	\$ 7,524.65
Net investment earnings	\$ 1,070.72	\$ 0.57	\$ 3.14	\$ 2.21	\$ 5,576.88	\$ 840.11	\$ 11.55	\$ 19.47	\$ 7,524.65
Total additions	\$ 1,070.72	\$ 0.57	\$ 3.14	\$ 2.21	\$ 5,576.88	\$ 840.11	\$ 5,011.55	\$ 19.47	\$ 12,524.65
<b>DEDUCTIONS</b>									
Awards	\$ 1,400.00	\$ 200.00	\$ 500.00	\$ 200.00	\$	\$ 1,100.00	\$ 4,000.00	\$	\$ 7,400.00
Total deductions	\$ 1,400.00	\$ 200.00	\$ 500.00	\$ 200.00	\$	\$ 1,100.00	\$ 4,000.00	\$	\$ 7,400.00
Change in net assets	\$ (329.28)	\$ (199.43)	\$ (496.86)	\$ (197.79)	\$ 5,576.88	\$ (259.89)	\$ 1,011.55	\$ 19.47	\$ 5,124.65
Net position beginning of year	\$ 57,576.73	\$ 271.99	\$ 1,706.14	\$ 1,104.94	\$ 253,193.49	\$ 111,008.06	\$ 6,031.62	\$ 4,770.67	\$ 435,663.64
Net position end of year	\$ 57,247.45	\$ 72.56	\$ 1,209.28	\$ 907.15	\$ 258,770.37	\$ 110,748.17	\$ 7,043.17	\$ 4,790.14	\$ 440,788.29

BOROUGH OF ROSELLE SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	BALANCE JUNE 30, 2018	CASH RECEIPTS	CASH DISBURSE- MENTS	BALANCE JUNE 30, 2019
ELEMENTARY SCHOOLS	\$ 17,727.29	\$ 51,384.72	\$ 44,909.96	\$ 24,202.05
MIDDLE SCHOOLS	14,477.18	31,839.38	34,053.56	12,263.00
HIGH SCHOOL	<u>73,924.67</u>	<u>159,449.99</u>	<u>173,433.13</u>	<u>59,941.53</u>
Total all schools	<u>\$ 106,129.14</u>	<u>\$ 242,674.09</u>	<u>\$ 252,396.65</u>	<u>\$ 96,406.58</u>



BOROUGH OF ROSELLE SCHOOL DISTRICT  
PAYROLL AGENCY FUNDS  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>BALANCE</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u>
	<u>JULY 1, 2018</u>			<u>JUNE 30, 2019</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 1,477,498.15	\$ 31,657,778.61	\$ 32,718,838.00	\$ 416,438.76
Total assets	<u>\$ 1,477,498.15</u>	<u>\$ 31,657,778.61</u>	<u>\$ 32,718,838.00</u>	<u>\$ 416,438.76</u>
<b>LIABILITIES:</b>				
Payroll & deductions payable (Deficit)	\$ 398,120.45	\$ 30,388,464.10	\$ 30,806,686.37	\$ (20,101.82)
Summer Pay		1,269,314.51	1,269,314.51	
Interfund payable	<u>1,079,377.70</u>		<u>642,837.12</u>	<u>436,540.58</u>
Total liabilities	<u>\$ 1,477,498.15</u>	<u>\$ 31,657,778.61</u>	<u>\$ 32,718,838.00</u>	<u>\$ 416,438.76</u>

**LONG-TERM LIABILITY SCHEDULES**

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Capital Leases.

BOROUGH OF ROSELLE SCHOOL DISTRICT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
AS OF JUNE 30, 2019

<u>PURPOSE</u>	<u>DATE OF LEASE</u>	<u>TERM OF LEASE</u>	<u>AMOUNT OF ORIGINAL LEASE PRINCIPAL</u>	<u>INTEREST</u>	<u>BALANCE JULY 1, 2018</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2019</u>
Chromebooks	7/28/17	3	\$ 400,000.00	\$ 9,916.67	\$ 263,361.11	\$ 130,054.87	\$ 133,306.24
Trucks	10/6/17	4	80,074.50	6,572.65	59,251.85	59,251.85	
					<u>\$ 322,612.96</u>	<u>\$ 189,306.72</u>	<u>\$ 133,306.24</u>

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**STATISTICAL SECTION**  
**(UNAUDITED)**

**Statistical Section  
Unaudited**

**Contents**

**Financial Trends**

These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.

**Revenue Capacity**

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

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

Borough of Roselle School District  
 Net Position by Component  
 Unaudited

	June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Governmental activities</b>										
Net investment in capital assets	\$ 6,033,927	\$ 6,777,011	\$ 10,355,551	\$ 13,973,394	\$ 15,762,535	\$ 16,816,183	\$ 16,645,286	\$ 16,869,081	\$ 17,360,986	\$ 16,615,561
Restricted	6,257,698	5,241,137	8,378,938	9,134,105	11,347,926	13,220,800	12,542,446	11,971,752	10,545,071	7,693,001
Unrestricted (Deficit)	(1,367,036)	1,334,839	612,767	1,174,472	(280,004)	(12,213,462)	(12,231,232)	(13,491,920)	(14,048,373)	(10,762,250)
Total governmental activities net position	\$ 10,924,529	\$ 13,352,987	\$ 19,347,256	\$ 24,281,971	\$ 26,830,457	\$ 17,823,522	\$ 16,956,499	\$ 15,348,913	\$ 13,857,683	\$ 13,546,311
<b>Business-type activities</b>										
Invested in capital assets	\$ 73,462	\$ 119,261	\$ 154,848	\$ 136,512	\$ 119,904	\$ 100,784	\$ 95,460	\$ 82,349	\$ 77,049	\$ 176,452
Unrestricted	281,771	285,857	145,313	72,750	117,134	236,097	258,184	252,157	111,499	127,653
Total business-type activities net position	\$ 355,233	\$ 405,118	\$ 300,161	\$ 209,262	\$ 237,038	\$ 336,881	\$ 353,643	\$ 334,506	\$ 188,548	\$ 304,105
<b>Government-wide</b>										
Net investment in capital assets	\$ 6,107,389	\$ 6,896,272	\$ 10,510,399	\$ 14,109,906	\$ 15,882,439	\$ 16,916,967	\$ 16,740,745	\$ 16,951,430	\$ 17,438,035	\$ 16,792,013
Restricted	6,257,698	5,241,137	8,378,938	9,134,105	11,347,926	13,220,800	12,542,446	11,971,752	10,545,071	7,693,001
Unrestricted (Deficit)	(1,085,325)	1,620,696	758,080	1,247,222	(162,870)	(11,977,365)	(11,973,049)	(13,239,763)	(13,936,874)	(10,634,599)
Total government-wide net position	\$ 11,279,762	\$ 13,758,105	\$ 19,647,417	\$ 24,491,233	\$ 27,067,495	\$ 18,160,402	\$ 17,310,142	\$ 15,683,419	\$ 14,046,231	\$ 13,850,416

Source: CAFR Schedule A-1

Note: GASB 63 was implemented during the 2013 fiscal year, which required the reclassification of balances previously reported as net assets to net position.

Borough of Roselle School District  
Changes in Net Position  
Unaudited

	Year ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses &amp; Indirect Allocations</b>										
<b>Governmental activities</b>										
Instruction	\$ 19,121,220	\$ 19,816,588	\$ 19,658,151	\$ 20,710,786	\$ 18,677,796	\$ 21,030,022	\$ 24,305,361	\$ 25,080,004	\$ 27,433,759	\$ 25,372,681
Regular	4,775,597	5,604,221	5,028,434	5,602,302	10,338,622	14,658,676	13,512,203	14,553,584	15,264,952	13,408,385
Special education	3,727,847	3,846,346	4,055,906	4,392,570	4,423,657	1,306,955	2,548,511	1,570,721	1,667,358	1,859,854
Other instruction										
Support Services:										
Tuition	5,162,562	4,369,280	3,958,783	3,677,777	7,683,565	7,896,825	7,490,245	10,829,949	10,033,868	10,558,093
Student & instruction related services	6,046,005	7,564,912	7,484,000	7,437,973	7,484,000	7,437,973	7,484,000	7,437,973	7,484,000	7,437,973
General administrative services	1,228,057	1,148,364	912,100	834,281	944,977	1,030,704	1,125,607	1,350,761	1,445,867	1,610,635
School administrative services	2,324,188	2,652,376	2,874,166	2,798,911	2,798,963	3,504,183	4,501,958	4,149,401	4,387,916	3,946,104
Business/Centers/Info Technology	1,200,556	1,365,168	1,365,168	1,417,373	1,417,373	1,053,429	1,035,429	1,466,639	1,371,087	1,371,087
Plant operations and maintenance	4,477,769	4,008,930	4,078,466	4,127,896	4,889,561	5,308,243	5,679,994	5,764,273	6,526,339	6,113,165
Pupil transportation	2,206,990	1,426,179	1,483,072	1,517,366	1,283,435	1,341,093	1,264,862	1,327,647	1,306,426	1,983,842
Special Schools	8,400	8,495	8,492	6,464	8,160	8,400	8,568	8,568	6,420	7,552
Charter Schools	45,111	62,251	92,875	242,668	314,006	571,639	507,599	579,708	665,288	566,281
Capital Outlay										
<b>Total governmental activities expenses</b>	<b>50,524,302</b>	<b>51,794,363</b>	<b>51,019,613</b>	<b>52,670,679</b>	<b>52,730,115</b>	<b>57,710,679</b>	<b>61,980,417</b>	<b>67,841,130</b>	<b>70,215,058</b>	<b>66,487,679</b>
Business-type activities:										
Food service	1,244,170	1,447,503	1,589,954	1,727,783	1,720,789	1,796,086	1,898,086	1,916,336	2,043,989	2,025,961
Community School	1,189	1,605	341	1,394	263	2,183	2,183	2,172	2,043,989	2,025,961
<b>Total business-type activities expense</b>	<b>1,245,359</b>	<b>1,449,108</b>	<b>1,590,295</b>	<b>1,729,177</b>	<b>1,721,052</b>	<b>1,798,269</b>	<b>1,900,269</b>	<b>1,918,509</b>	<b>2,046,978</b>	<b>2,028,922</b>
<b>Total district expenses</b>	<b>\$ 51,769,661</b>	<b>\$ 53,243,471</b>	<b>\$ 52,609,908</b>	<b>\$ 54,399,856</b>	<b>\$ 54,452,297</b>	<b>\$ 59,509,028</b>	<b>\$ 63,880,686</b>	<b>\$ 69,759,639</b>	<b>\$ 72,262,036</b>	<b>\$ 68,516,599</b>
<b>Program Revenues</b>										
Governmental activities:										
Operating grants and contributions	\$ 5,725,552	\$ 5,378,726	\$ 4,630,524	\$ 7,435,964	\$ 6,851,481	\$ 11,022,018	\$ 12,869,607	\$ 17,751,725	\$ 19,252,406	\$ 15,995,563
Capital grants and contributions	421,246	1,632,412	1,632,412	2,066,175	2,066,175	2,066,175	2,066,175	2,066,175	2,066,175	2,066,175
<b>Total governmental activities program revenues</b>	<b>6,146,798</b>	<b>7,011,138</b>	<b>6,262,936</b>	<b>9,502,139</b>	<b>8,917,656</b>	<b>13,088,193</b>	<b>14,935,782</b>	<b>19,817,900</b>	<b>21,318,581</b>	<b>18,061,738</b>
Business-type activities:										
Charges for services	263,160	319,305	281,440	297,028	324,519	360,951	351,978	328,817	405,496	405,919
Food service	1,910	1,244	423	200	1,145	1,675	848	1,920	75	1,993
Community School	1,010,075	1,178,441	1,203,474	1,339,656	1,424,292	1,483,989	1,564,206	1,568,635	1,492,460	1,648,024
Operating grants and contributions	1,274,845	1,498,990	1,485,337	1,749,956	1,749,956	1,846,614	1,917,032	1,899,371	1,898,030	2,055,936
<b>Total business-type activities program revenues</b>	<b>4,452,830</b>	<b>4,200,985</b>	<b>4,049,614</b>	<b>4,386,260</b>	<b>4,300,226</b>	<b>4,682,171</b>	<b>4,884,167</b>	<b>4,767,743</b>	<b>4,803,071</b>	<b>5,111,903</b>
<b>Total district program revenues</b>	<b>\$ 7,000,397</b>	<b>\$ 7,298,862</b>	<b>\$ 7,748,273</b>	<b>\$ 11,138,923</b>	<b>\$ 8,601,437</b>	<b>\$ 12,868,632</b>	<b>\$ 14,786,639</b>	<b>\$ 19,651,096</b>	<b>\$ 21,150,437</b>	<b>\$ 18,051,499</b>
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (44,798,750)	\$ (45,994,391)	\$ (44,756,677)	\$ (43,168,640)	\$ (45,878,634)	\$ (46,688,661)	\$ (49,110,811)	\$ (50,089,405)	\$ (50,962,652)	\$ (50,502,116)
Business-type activities	29,466	49,882	(104,958)	(60,899)	27,774	50,265	16,763	(19,137)	(145,958)	29,975
<b>Total district-wide net expense</b>	<b>\$ (44,769,284)</b>	<b>\$ (45,944,509)</b>	<b>\$ (44,861,635)</b>	<b>\$ (43,229,539)</b>	<b>\$ (45,850,860)</b>	<b>\$ (46,638,396)</b>	<b>\$ (48,994,048)</b>	<b>\$ (50,108,542)</b>	<b>\$ (51,108,610)</b>	<b>\$ (50,472,141)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,907,576	\$ 23,907,576	\$ 24,027,114	\$ 24,147,250
Federal and State Aid Not Restricted	20,877,266	24,842,450	26,876,942	23,950,097	24,916,230	24,509,746	24,092,526	24,238,259	24,903,124	25,769,748
Miscellaneous income	142,700	141,599	435,304	714,458	72,089	305,452	243,686	335,984	541,183	185,384
Transfers In/Out	(37,424)									
<b>Total governmental activities</b>	<b>44,421,342</b>	<b>48,422,849</b>	<b>50,750,946</b>	<b>48,103,355</b>	<b>48,427,119</b>	<b>48,253,998</b>	<b>48,243,788</b>	<b>48,481,819</b>	<b>49,471,422</b>	<b>50,102,382</b>
Business-type activities:										
Miscellaneous income	37,424	3	1							
Transfers	37,424									
<b>Total business-type activities</b>	<b>74,848</b>	<b>3</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total district-wide</b>	<b>\$ 44,496,190</b>	<b>\$ 48,426,852</b>	<b>\$ 50,752,950</b>	<b>\$ 48,103,355</b>	<b>\$ 48,427,119</b>	<b>\$ 48,253,998</b>	<b>\$ 48,243,788</b>	<b>\$ 48,481,819</b>	<b>\$ 49,471,422</b>	<b>\$ 50,102,382</b>
<b>Change in Net Position</b>										
Governmental activities	\$ (377,408)	\$ 2,428,458	\$ 5,994,269	\$ 4,934,715	\$ 2,548,485	\$ 1,565,337	\$ (867,022)	\$ (1,607,586)	\$ (1,491,230)	\$ (999,734)
Business-type activities	66,910	49,685	(104,957)	(60,899)	27,774	50,265	6,763	(19,137)	(145,958)	29,975
<b>Total district</b>	<b>\$ (310,498)</b>	<b>\$ 2,478,543</b>	<b>\$ 5,889,312</b>	<b>\$ 4,873,816</b>	<b>\$ 2,576,259</b>	<b>\$ 1,615,602</b>	<b>\$ (860,259)</b>	<b>\$ (1,626,723)</b>	<b>\$ (1,637,188)</b>	<b>\$ (969,759)</b>

Source: CAFR Schedule A-2

Note: GASB 63 was implemented during the 2013 fiscal year, which required the reclassification of balances previously reported as net assets to net position.



Borough of Roselle School District  
Fund Balances - Governmental Funds  
Unaudited

	June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Fund</b>										
Reserved	\$ 5,787,791									990,565
Unassigned	(1,158,224)									4,319,542
Restricted		3,689,994	\$ 5,061,770	\$ 7,124,610	\$ 9,963,246	\$ 12,083,847	\$ 11,405,493	\$ 10,834,800	\$ 6,928,031	\$ 2,435,613
Assigned		2,591,233	1,871,705	2,398,753	1,047,417	73,261				
<b>Total general fund</b>	<b>\$ 4,629,567</b>	<b>\$ 6,281,227</b>	<b>\$ 6,933,475</b>	<b>\$ 9,523,363</b>	<b>\$ 11,010,664</b>	<b>\$ 12,157,108</b>	<b>\$ 11,405,493</b>	<b>\$ 10,834,800</b>	<b>\$ 6,928,031</b>	<b>\$ 7,745,720</b>
<b>All Other Governmental Funds</b>										
Unreserved, reported in:										
Special revenue fund	\$ (39,182)									
Capital projects fund	1,531,640									
Restricted		1,551,143	\$ 3,317,168	\$ 2,009,495	\$ 1,384,680	\$ 1,136,953	\$ 1,136,953	\$ 1,136,953	\$ 3,617,040	\$ 3,373,459
Unassigned (deficit)		(39,182)	(48,978)	(49,905)	(71,707)	(58,050)	(51,219)	(49,512)	(56,341)	(58,925)
<b>Total all other governmental funds</b>	<b>\$ 1,492,458</b>	<b>\$ 1,511,961</b>	<b>\$ 3,268,190</b>	<b>\$ 1,959,590</b>	<b>\$ 1,312,973</b>	<b>\$ 1,078,903</b>	<b>\$ 1,085,734</b>	<b>\$ 1,087,441</b>	<b>\$ 3,560,699</b>	<b>\$ 3,314,534</b>

Source: CAFR Schedule B-1

Borough of Roselle School District  
Changes in Fund Balances, Governmental Funds  
Unaudited

	Year ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Tax levy	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,907,576	\$ 23,907,576	\$ 24,027,114	\$ 24,147,250
Miscellaneous	163,043	172,575	466,063	721,948	78,367	329,670	259,193	358,623	581,493	226,028
State sources	19,944,906	26,134,733	28,410,117	30,933,989	29,473,981	29,307,336	29,809,705	30,371,365	31,816,819	33,810,593
Federal sources	6,637,569	4,476,713	4,698,882	2,510,657	2,287,451	1,962,309	1,518,584	2,752,980	2,127,797	2,818,725
Total revenue	\$ 50,184,318	\$ 54,222,821	\$ 57,013,882	\$ 57,605,394	\$ 55,278,600	\$ 55,038,116	\$ 55,495,058	\$ 57,390,543	\$ 58,553,223	\$ 61,002,595
<b>Expenditures</b>										
Instruction										
Regular instruction	14,315,334	15,337,345	14,956,060	15,023,941	12,798,560	12,703,885	13,538,176	13,110,286	14,036,772	13,977,665
Special education instruction	3,665,555	4,013,520	3,540,734	3,738,910	5,907,731	8,500,552	8,318,940	8,488,695	8,384,455	8,253,592
Other instruction	2,714,285	2,787,418	2,902,318	2,981,107	3,047,283	859,816	851,764	899,638	914,192	998,047
Support Services:										
Instruction	5,162,562	4,369,280	3,958,783	3,677,777	3,100,461	2,379,327	2,090,397	1,418,351	1,867,143	1,446,571
Student & instruction related services	5,051,532	6,589,305	6,220,599	5,793,983	6,116,953	5,681,260	6,211,431	7,293,275	6,629,141	7,439,909
General administration services	1,099,761	1,008,722	778,343	678,581	803,956	810,774	901,205	1,062,353	1,183,880	1,238,943
School administration services	1,765,070	1,898,552	2,024,522	1,837,954	1,873,223	2,091,689	2,459,437	2,121,870	2,206,945	1,897,517
Central Services / Administration Info. Technology	930,204	957,638	1,024,390	961,194	1,004,651	699,128	793,449	830,162	1,015,168	845,528
Plant operations and maintenance	3,818,314	3,446,889	3,527,447	4,398,550	3,902,364	4,197,051	4,335,767	4,255,873	4,764,537	5,282,270
Pupil transportation	2,187,901	1,406,969	1,463,593	1,492,649	1,283,435	1,341,093	1,264,862	1,322,172	1,322,172	1,863,306
Unallocated employee benefits	9,078,347	9,660,844	10,074,393	12,116,971	11,748,989	12,426,983	14,280,274	15,497,184	15,614,986	16,055,803
Special Schools	8,400	8,400	8,400	6,373	8,160	8,400	8,568	8,568	6,420	7,552
Charter Schools	45,112	62,251	92,875	242,668	314,006	571,639	507,589	579,708	665,288	566,281
Capital outlay	1,145,295	1,034,525	4,032,948	3,373,848	2,528,146	1,854,143	677,982	1,065,918	1,855,710	517,084
Total expenditures	\$ 50,987,672	\$ 52,551,658	\$ 54,605,405	\$ 56,324,106	\$ 54,437,916	\$ 54,125,741	\$ 56,239,842	\$ 57,959,529	\$ 60,466,808	\$ 60,390,068
Excess (Deficiency) of revenues over (under) expenditures	(803,354)	1,671,163	2,408,477	1,281,288	840,683	912,374	(744,784)	(568,986)	(1,913,585)	612,527
<b>Other Financing sources (uses)</b>										
Capital leases (non-budgeted)	-	0	-	-	-	-	-	-	480,075	(41,003)
SDA Grants Canceled	-	-	2,804,678	-	-	-	-	-	2,692,575	202,578
Transfers In	(37,424)	(559,566)	(2,804,678)	-	-	-	-	-	(2,692,575)	(202,578)
Transfers out	(37,424)	(559,566)	(2,804,678)	-	-	-	-	-	(2,692,575)	(202,578)
Total other financing sources (uses)	(74,848)	(1,119,132)	(2,804,678)	-	-	-	-	-	(2,692,575)	(41,003)
Net change in fund balances	\$ (840,778)	\$ 1,671,163	\$ 2,408,477	\$ 1,281,288	\$ 840,683	\$ 912,374	\$ (744,784)	\$ (568,986)	\$ (1,433,511)	\$ 571,524

Source: CAFR Schedule B-2

Borough of Roselle School District  
General Fund Other Local Revenue by Source  
Unaudited

Fiscal Year Ended June 30,	Interest on Investments	State Tuition Refund	E-Rate	Refunds	Misc.	Total
2010	42,573	3,506			96,622	142,701
2011	39,999				101,600	141,599
2012	15,417				419,887	435,304
2013	6,134	117,951			590,373	714,458
2014	8,180				63,909	72,089
2015	10,247		266,374		28,831	305,452
2016	10,632	126,860		93,656	12,538	243,686
2017	61,032		188,423		86,530	335,985
2018	15,583		502,411		23,190	541,183
2019	54,283		142,178		2,286	198,747

Source: District Records

Borough of Roselle School District  
 Assessed Value and Actual Value of Taxable Property  
 Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (a)	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate
2010	3,302,700	616,649,300	79,717,100	35,698,200	43,756,100	779,123,400	2,690,235	781,813,635	1,801,451,180	3.001
2011	3,756,000	614,288,300	79,772,400	34,886,600	43,425,700	776,129,000	3,378,770	779,507,770	1,655,244,105	2.998
2012	3,827,000	614,044,100	75,566,100	34,886,600	43,425,700	771,779,500	3,218,842	774,998,342	1,339,662,732	3.025
2013	3,640,900	613,088,878	76,313,040	34,917,800	42,930,000	770,890,618	2,856,193	773,746,811	1,494,780,867	3.030
2014	2,989,900	613,320,200	74,365,600	34,753,200	43,693,000	769,121,900	2,815,295	771,937,195	1,294,662,057	3.037
2015	2,939,900	611,767,400	75,576,200	33,996,900	43,693,000	767,973,400	2,565,760	770,539,160	1,346,044,256	3.103
2016	3,608,800	610,679,250	78,490,000	34,392,000	43,482,100	770,652,150	2,738,632	773,390,782	1,340,490,895	3.061
2017	3,652,600	611,045,381	77,323,500	33,167,700	43,390,200	768,579,381	2,762,084	771,341,465	1,358,638,339	3.108
2018	4,575,400	612,676,938	74,149,000	32,725,000	43,390,200	767,516,538	2,756,024	770,272,562	1,352,009,146	3.135
2019	3,921,900	617,969,105	70,390,600	32,539,700	47,634,100	772,455,405	2,771,719	775,227,124	1,372,502,828	3.178

Source: District records Tax list summary & Municipal Tax Assessor

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

(a): Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies  
 (b): Tax rates are per \$100

Borough of Roselle School District  
Direct and Overlapping Property Tax Rates  
Unaudited

Fiscal Year Ended June 30,	Roselle Borough Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Roselle Borough	Union County	
2010	3.001		3.001	3.393	0.826	7.220
2011	2.998		2.998	3.605	0.912	7.515
2012	3.025		3.025	3.713	0.876	7.614
2013	3.030		3.030	3.816	0.867	7.713
2014	3.037		3.037	3.985	0.849	7.871
2015	3.103		3.103	3.985	0.905	7.993
2016	3.061		3.061	4.089	0.928	8.078
2017	3.108		3.108	4.210	0.942	8.260
2018	3.135		3.135	4.223	0.946	8.304
2019	3.178		3.178	4.232	0.940	8.350

Source: District Records and Municipal Tax Collector

Borough of Roselle School District  
Principal Property Tax Payers - Current Year and Nine Years Ago  
Unaudited

Taxpayer	2019				2010			
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	
RELATED MANAGEMENT% OAK PARK PRES \$	9,298,700	1	1.20%	Data Not Available		1	0.00%	
WARREN J LOCKWOOD VL	7,159,500	2	0.93%			2	0.00%	
ROSELLE URBAN RENEWAL, LLC	4,243,900	3	0.55%			3	0.00%	
WEC 2000A-23, LLC	3,083,000	4	0.40%			4	0.00%	
O T GROUP	3,000,000	5	0.39%			5	0.00%	
VERIZON - NJ TAX DEPT	2,771,719	6	0.36%			6	0.00%	
RAINBOW GARDENS ASSOCIATES	2,350,000	7	0.30%			7	0.00%	
ROSELLE SHOPPING CENTER INC	2,287,900	8	0.30%			8	0.00%	
ROSELLE EQUITIES, LLC % RITE AID	2,179,600	9	0.28%			9	0.00%	
ALDENE IND PK INC C/O CASCIO	1,847,700	10	0.24%			10	0.00%	
<b>Total</b>	<b>\$ 38,222,019</b>		<b>4.95%</b>	<b>Total</b>	<b>\$ -</b>		<b>0.00%</b>	

Source: Municipal Tax Assessor

Borough of Roselle School District  
 Property Tax Levies and Collections  
 Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>
2010	\$ 23,438,800	\$ 23,438,800	100.00%	
2011	23,438,800	21,563,696	92.00%	\$ 1,875,104
2012	23,438,800	21,563,696	92.00%	1,875,104
2013	23,438,800	21,563,696	92.00%	1,875,104
2014	23,438,800	21,563,696	92.00%	1,875,104
2015	23,438,800	21,563,696	92.00%	1,875,104
2016	23,907,576	21,873,278	91.49%	1,986,298
2017	23,907,576	21,994,969	92.00%	1,912,607
2018	24,027,114	20,180,384	83.99%	3,846,730
2019	24,147,250	24,147,250	100.00%	-

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

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

Borough of Roselle School District  
 Ratios of Outstanding Debt by Type  
 Unaudited

Governmental Activities

Fiscal Year Ended June 30,	General Obligation		Capital Leases	Total District	Percentage of	
	Bonds				Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
2010	None		\$213,794.00	\$213,794.00	0.02%	10.35
2011	None		123,871.00	123,871.00	0.01%	5.87
2012	None		47,597.00	47,597.00	0.00%	2.25
2013	None		None	None	None	None
2014	None		None	None	None	None
2015	None		None	None	None	None
2016	None		None	None	None	None
2017	None		None	None	None	None
2018	None		322,612.96	322,612.96	0.02%	14.93
2019	None		133,306.24	133,306.24	0.01%	6.09

Source: District CAFR Schedules I-2.

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



EXHIBIT "J-11"

Borough of Roselle School District  
Ratios of Net General Bonded Debt Outstanding  
Unaudited

General Bonded Debt Outstanding

Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
2010	NONE	-	NONE	0.00%	\$ -
2011	NONE	-	NONE	0.00%	-
2012	NONE	-	NONE	0.00%	-
2013	NONE	-	NONE	0.00%	-
2014	NONE	-	NONE	0.00%	-
2015	NONE	-	NONE	0.00%	-
2016	NONE	-	NONE	0.00%	-
2017	NONE	-	NONE	0.00%	-
2018	NONE	-	NONE	0.00%	-
2019	NONE	-	NONE	0.00%	-

<sup>a</sup> See Exhibit J-6 for property tax data.

<sup>b</sup> Population data can be found in Exhibit J-14.

Borough of Roselle School District  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2019  
 Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b> Board of Education	\$ -	100.00%	\$ -
<b>Other debt</b> Borough County	\$ 36,896,182 60,731,578	100.00% 3.15%	\$ 36,896,182 1,912,389
Subtotal, overlapping debt	\$ 97,627,760		\$ 38,808,571
<b>Total direct and overlapping debt</b>	<u>\$ 97,627,760</u>		<u>\$ 38,808,571</u>

**Sources:** Borough Chief Financial Officer, and County Treasurer's Office

Borough of Roselle School District  
 Legal Debt Margin Information.  
 Unaudited

Legal Debt Margin Calculation for Calendar Year 2019

Equalized valuation basis	
2018	\$ 1,389,924,915
2017	1,372,708,307
2016	1,354,875,264
[A]	<u>\$ 4,117,508,486</u>
Average equalized valuation of taxable property	[A/3] \$ 1,372,502,829
Debt limit (4 % of average equalized value)	[B] 54,900,113
Net bonded school debt	[C] -
Legal debt margin	<u>[B-C] \$ 54,900,113</u>

	Calendar Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 72,829,683	\$ 70,688,552	\$ 63,951,440	\$ 59,862,503	\$ 56,396,985	\$ 52,931,467	\$ 52,744,345	\$ 53,615,401	\$ 54,080,366	\$ 54,900,113
Total net debt applicable to limit										
Legal debt margin	<u>\$ 72,829,683</u>	<u>\$ 70,688,552</u>	<u>\$ 63,951,440</u>	<u>\$ 59,862,503</u>	<u>\$ 56,396,985</u>	<u>\$ 52,931,467</u>	<u>\$ 52,744,345</u>	<u>\$ 53,615,401</u>	<u>\$ 54,080,366</u>	<u>\$ 54,900,113</u>

Total net debt applicable to the limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
as a percentage of debt limit										

Source: Abstract of Rates and District Records.

Borough of Roselle School District  
Demographic and Economic Statistics  
Unaudited

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2010	20,655	1,090,418,760	52,792.00	14.00%
2011	21,101	1,049,964,659	49,759.00	14.00%
2012	21,177	1,079,815,230	50,990.00	14.00%
2013	21,248	1,125,931,520	52,990.00	9.40%
2014	21,355	1,171,812,915	54,873.00	8.10%
2015	21,395	1,191,294,995	55,681.00	8.10%
2016	21,435	1,255,469,385	58,571.00	7.40%
2017	21,513	1,303,343,592	60,584.00	6.40%
2018	21,614	1,331,941,136	61,624.00	5.80%
2019	21,902	1,410,773,526	64,413.00	5.50%

**Source:**

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

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

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

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

EXHIBIT "J-15"

Borough of Roselle School District  
Principal Employers - Current Year and Ten Years Ago  
Unaudited

Employer	2019		2010	
	Employees	Rank	Percentage of Total Employment	Rank

N/A Information is not available

Borough of Roselle School District  
 Full-time Equivalent District Employees by Function/Program  
 Unaudited

<u>Function/Program</u>	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Instruction:										
Regular	225.0	225.0	230.0	231.0	235.0	231.0	231.0	231.0	216.0	242.0
Special education	89.0	92.5	90.0	90.0	95.0	89.0	89.0	89.0	57.0	52.0
Other instruction	23.0	25.5	23.0	23.0	24.0	30.0	30.0	30.0	31.0	33.0
Support Services:										
Student & instruction related services	48.0	48.0	50.0	50.0	50.0	51.0	51.0	51.0	112.0	112.0
General administrative services	6.0	6.0	7.0	7.0	7.0	4.0	4.0	4.0	5.0	6.0
School administrative services	23.0	12.0	20.0	20.0	21.0	28.0	28.0	28.0	21.0	31.0
Business administrative services	9.0	11.0	11.0	11.0	11.0	10.0	10.0	10.0	6.0	5.0
Plant operations and maintenance	20.0	19.0	19.0	19.0	19.0	23.0	24.0	24.0	14.0	22.0
<b>Total</b>	<b>443.0</b>	<b>439.0</b>	<b>450.0</b>	<b>451.0</b>	<b>462.0</b>	<b>466.0</b>	<b>467.0</b>	<b>467.0</b>	<b>462.0</b>	<b>503.0</b>

Source: District Personnel Records

Borough of Roselle School District  
Operating Statistics  
Unaudited

Fiscal Year	Enrollment	Operating Expenditures a	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) c	Average Daily Attendance (ADA) c	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff b	Elementary				
2010	2,873	47,540,242	16,547	3.35%	271	1:17	2,779	2,610	-3.84%	93.92%
2011	2,874	51,517,134	17,925	8.33%	271	1:17	2,782	2,609	0.11%	93.78%
2012	2,742	50,572,457	18,444	2.89%	270	1:17	2,726	2,569	-2.01%	94.25%
2013	2,679	51,768,729	19,324	4.77%	271	1:17	2,649	2,483	-2.82%	93.71%
2014	2,750	51,275,455	18,646	-3.51%	276	1:17	2,677	2,505	1.05%	93.57%
2015	2,669	51,909,770	19,304	3.53%	263	1:17	2,757	2,588	2.95%	93.87%
2016	2,731	55,561,860	20,345	5.39%	263	1:17	2,710	2,562	-1.70%	94.54%
2017	2,778	56,893,611	20,480	0.66%	263	1:17	2,750	2,578	1.48%	93.75%
2018	2,870	58,611,098	20,422	-0.28%	273	1:17	2,922	2,750	6.27%	94.12%
2019	2,897	59,872,985	20,667	1.20%	327	1:17	2,943	2,746	0.71%	93.31%

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

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less 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).

Borough of Roselle School District  
School Building Information  
Unaudited

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>High School</b>										
Abraham Clark High School (1917,1924,1958)										
Square Feet	112,749	112,749	112,749	112,749	112,749	112,749	112,749	112,749	112,749	112,749
Capacity (students)	1,084	1,084	1,084	1,084	1,084	1,084	1,084	1,084	1,084	1,084
Enrollment	1,015	1,015	781	713	726	674	676	735	735	736
<b>Elementary</b>										
Charles E. Polk School (1922, 1928)										
Square Feet	33,053	33,053	33,053	33,053	33,053	33,053	33,053	33,053	33,053	33,053
Capacity (students)	322	322	322	322	322	322	322	322	322	322
Enrollment	273	273	274	279	293	271	278	313	313	313
Harrison School (1922,1928)										
Square Feet	41,401	41,401	41,401	41,401	41,401	41,401	41,401	41,401	41,401	41,401
Capacity (students)	346	346	346	346	346	346	346	346	346	346
Enrollment	326	326	302	302	314	329	331	324	324	324
Washington School (1928,1953)										
Square Feet	48,960	48,960	48,960	48,960	48,960	48,960	48,960	48,960	48,960	48,960
Capacity (students)	408	408	408	408	408	408	408	408	408	408
Enrollment	322	322	279	287	348	327	333	315	315	315
Kindergarten Success Academy (Leased)										
Square Feet	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Capacity (students)	300	300	300	300	300	300	300	300	300	300
Enrollment	229	229	199	173	215	173	179	215	215	215
<b>Middle School</b>										
Leonard V. Moore School (1957)										
Square Feet	43,055	43,055	43,055	43,055	43,055	43,055	43,055	43,055	43,055	43,055
Capacity (students)	487	487	487	487	487	487	487	487	487	487
Enrollment	406	415	415	407	429	429	429	470	470	470
<b>Junior High School</b>										
Grace Wilday School										
Square Feet	48,726	48,726	48,726	48,726	48,726	48,726	48,726	48,726	48,726	48,726
Capacity (students)	512	512	512	512	512	512	512	512	512	512
Enrollment	416	416	350	368	380	410	414	426	426	426
<b>Special Education School</b>										
Roselle School Annex										
Square Feet	14,955	14,955	14,955	14,955	14,955	14,955	14,955	14,955	14,955	14,955
Capacity (students)	37	37	37	37	37	37	37	37	37	37
Enrollment	31	31	70	76	61	76	91	73	73	73
<b>Other</b>										
Administration Building										
Square Feet	2,645	2,645	2,645	2,645	2,666	2,666	2,666	2,666	2,666	2,666
Maintenance and Field House										
Square Feet	1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,535

Number of Schools at June 30, 2019  
 High School = 1  
 Elementary = 3  
 Middle School = 1  
 Junior High School = 1  
 Special Education School = 1  
 Source: District records, ASSA

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



Borough of Roselle School District  
 Schedule of Required Maintenance  
 Unaudited

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

School Facilities	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Abraham Clark High School	\$ 485,114	\$ 242,876	\$ 109,394	\$ 108,204	\$ 117,805	\$ 113,807	\$ 114,532	\$ 112,106	\$ 103,599	\$ 127,899
Leonard V. Moore Middle School	185,249	92,746	41,774	41,320	54,052	52,848	57,247	43,967	47,581	74,492
Grace Wilday Junior High School	209,649	104,962	47,276	46,762	24,506	23,599	27,708	23,218	21,954	32,513
Harrison Elementary School	178,132	89,183	40,169	39,732	35,438	32,665	35,268	33,874	31,669	50,072
Charles E. Polk Elementary School	142,214	71,201	32,070	31,721	32,583	35,914	33,208	29,936	28,735	38,852
Washington Elementary School	210,656	105,466	47,503	46,987	37,154	34,463	34,383	34,351	31,841	42,979
<b>Total School Facilities</b>	<b>\$ 1,411,014</b>	<b>\$ 706,435</b>	<b>\$ 318,186</b>	<b>\$ 314,726</b>	<b>\$ 301,537</b>	<b>\$ 293,297</b>	<b>\$ 302,346</b>	<b>\$ 277,452</b>	<b>\$ 265,379</b>	<b>\$ 366,806</b>



New Jersey Schools Insurance Group  
**Educational Risk and Insurance Consortium - North**  
Package Policy Declarations

**Named Insured:**

Roselle Borough Board of Education  
710 Locust Street  
Roselle, NJ 07203-1919

**Agent:**

Acrisure, LLC dba Reliance Insurance Group  
1460 Route 9 North, Suite 310  
Woodbridge, NJ 07095

**Policy Term:** 07/01/2018 to 07/01/2019 12:01 AM Eastern Standard Time

**Article I - Property**

Real and Personal Property	\$500,000,000 per occurrence NJSIG Limit
Extra Expense	\$50,000,000 per occurrence NJSIG Limit
Valuable Papers and Records	\$10,000,000 per occurrence NJSIG Limit
Demolition and Increased Cost of Construction	\$25,000,000 per occurrence NJSIG Limit
Loss of Rents	Not Covered
Loss of Business Income/Tuition	Not Covered
Limited Builders Risk	\$10,000,000 per occurrence NJSIG Limit
Fire Department Service Charge	\$10,000 per occurrence
Arson Reward	\$10,000 per occurrence
Pollutant Cleanup and Removal	\$250,000 per occurrence
Fine Arts	Not Covered
Sublimits: Special Flood Hazard Area Flood Zones	\$25,000,000 per occurrence/ NJSIG annual aggregate
Accounts Receivable	\$250,000 per occurrence
All Flood Zones	\$75,000,000 per occurrence /NJSIG annual aggregate
Earthquake	\$50,000,000 per occurrence /NJSIG annual aggregate
Terrorism	\$1,000,000 per occurrence /NJSIG annual aggregate
Deductibles:	
Real & Personal	\$5,000 per occurrence
Extra Expense	\$5,000 per occurrence
Valuable Papers	\$5,000 per occurrence
Special Flood Hazard Area Flood Deductibles:	\$500,000 per building
	\$500,000 per building contents
All Other Flood Zones Flood Deductible:	\$10,000 per member/per occurrence

**Article II - Electronic Data Processing**

Data Processing Equipment Including Data and Media, Extra Expense, Business Income, Duplicates, Transit and Debris Removal	\$650,000 per occurrence
Terrorism	Included in Property
Computer Virus	\$250,000 (\$10,000,000 NJSIG Annual Aggregate)
Deductible:	\$1,000 per occurrence
Special Flood Hazard Area Flood Deductible:	\$500,000 per building contents
All Other Flood Zones Flood Deductible:	\$10,000 per member/per occurrence

**Article III - Equipment Breakdown**

Combined Single Limit per Accident for Property Damage and Business Income	\$100,000,000
SubLimits: Property Damage	Included
Off Premises Property Damage	\$1,000,000
Business Income	Included
Extra Expense	\$10,000,000
Service Interruption	\$10,000,000
Perishable Goods	\$1,000,000
Data Restoration	\$1,000,000
Contingent Business Income	\$1,000,000
Demolition	\$1,000,000
Ordinance or Law	\$1,000,000
Expediting Expenses	\$1,000,000
Hazardous Substances	\$1,000,000
Newly Acquired Locations (120 days notice)	\$1,000,000
Terrorism	Included

Deductibles: \$5,000 per Accident for Property Damage  
12 Hours for Indirect Coverages  
Service Interruption Waiting Period 24 Hours

**Article IV - Crime**

<b>Insuring Agreements</b>	<b>Limits</b>	<b>Deductibles</b>
Insuring Agreement 1 - Public Employee Dishonesty with Faithful Performance	\$250,000	\$1,000
Insuring Agreement 2 - Theft, Disappearance and Destruction - Loss of Money & Securities On or Off Premises	\$100,000	\$500
Insuring Agreement 3 - Theft, Disappearance and Destruction - Money Orders & Counterfeit Paper Currency	\$25,000	\$500
Insuring Agreement 4 - Forgery or Alteration	\$100,000	\$500
Insuring Agreement 5 - Computer Fraud	\$25,000	\$500
Public Officials Bond:		



New Jersey Schools Insurance Group  
**Educational Risk and Insurance Consortium - North**  
Package Policy Declarations

Business Administrator	\$310,000	\$500
Treasurer	\$310,000	\$500

**Article V - Comprehensive General Liability**

Bodily Injury and Property Damage	\$16,000,000 per occurrence
Products and Completed Operations	\$16,000,000 annual aggregate
Sexual Abuse	\$16,000,000 per occurrence \$17,000,000 annual NJSIG aggregate
Personal Injury and Advertising Injury	\$16,000,000 per occurrence/annual aggregate
Employee Benefits Liability	\$16,000,000 per occurrence/annual aggregate
Employee Benefits Liability Deductible	\$1,000 each claim
Premises Medical Payments	\$10,000 per accident \$5,000 limit per person
Terrorism	\$1,000,000 per occurrence/annual NJSIG aggregate
Deductible	N/A



New Jersey Schools Insurance Group  
**Educational Risk and Insurance Consortium - North**  
Package Policy Declarations

**Article VI - Automobile**

**Liability**

Symbol 1 Any Auto	
Bodily Injury and Property Damage	\$16,000,000 per accident
Symbol 6 Uninsured/Underinsured Motorists - Private Passenger Autos	\$1,000,000 Per Accident
Symbol 6 Uninsured/Underinsured Motorists - All Other Vehicles	\$15,000 Bodily Injury Per Person \$30,000 Bodily Injury Per Accident \$5,000 Property Damage Per Accident
Symbol 5 Personal Injury Protection (including pedestrians)	\$250,000
Medical Payments	\$10,000 private passenger vehicles \$5,000 all other vehicles
Terrorism	\$1,000,000 per occurrence/annual NJSIG aggregate
Deductible	\$0

**Physical Damage** (Scheduled vehicles only)

Symbol 7 Comprehensive	\$1,000 deductible
Collision	\$1,000 deductible
Hired Car Physical Damage \$110,000 Limit	\$1,000 deductible
Replacement Cost	Not Covered

**Garage Keepers** Included



New Jersey Schools Insurance Group  
**Educational Risk and Insurance Consortium - North**  
Package Policy Declarations

**Applicable Policy Forms**

NJSIG-P1 (7/17); NJSIG-PJLA (7/017); NJSIG-PPCA (7/14); NJSIG-PLR (7/17); NJSIG-DICC (7/15); NJSIG-P2 (7/17);  
NJSIG-BI (7/15); NJSIG-PGYM (07/08); NJSIG EDE (7/14)

NJSIG-EDP (7/18)

NJSIG-B1 (7/15); NJSIG-B2 (7/00)

NJSIG-CR1000 (7/15); NJSIG-CR-DP (7/15); NJSIG-CR-SS (7/15); NJSIG-CR-DBE (7/15); NJSIG-CR-NI (7/15);  
NJSIG-CR-AL (7/15); NJSIG-CR-FP (7/15); NJSIG-CR-BE (7/15); NJSIG-CR-VW (7/15); NJSIG-CR-SPE (7/15);  
NJSIG-CR-MOC (7/15); NJSIG-CR-LS (7/15); NJSIG-CR-MEE (7/15); NJSIG-CR-ES (7/15); NJSIG-CR-IWC (7/15);  
NJSIG-CBND1 (7/15)

NJSIG-G0 (7/17); NJSIG-G1 (7/17); NJSIG-G2 (7/17); NJSIG-G3 (7/17); NJSIG-G4 (7/09); NJSIG-GMP1 (7/17)

NJSIG-A1 (7/17); NJSIG-A2 (7/10); NJSIG-A3 (7/17); NJSIG-A4 (7/11); NJSIG-A5 (7/00); NJSIG-AGK1 (7/00);  
NJSIG-A6 (7/11); NJSIG-A7 (7/17); NJSIG-A8 (7/07)

NJSIG-D-PKG (7/18)

NJSIG-CPKG (7/15)

In witness whereof, the New Jersey Schools Insurance Group has  
caused this agreement to be signed by its Executive Director.

A handwritten signature in black ink, appearing to read "William M. Mayo". The signature is written in a cursive style.

NJSIG Executive Director



New Jersey Schools Insurance Group  
**Educational Risk and Insurance Consortium - North**  
School Leaders Errors & Omissions Liability Policy Declarations

**Named Insured:**

Roselle Borough Board of Education  
710 Locust Street  
Roselle, NJ 07203-1919

**Agent:**

Acrisure, LLC dba Reliance Insurance Group  
1460 Route 9 North, Suite 310  
Woodbridge, NJ 07095

**Policy Term:** July 1, 2018 to July 1, 2019 12:01 AM Eastern Standard Time

**Coverage A**

Limit of Liability	
NJSIG	\$15,000,000 each policy period Excess of:
QBE Specialty Ins. Co.	\$1,000,000 each policy period/ \$3,000,000 annual aggregate
Deductible	\$10,000 each claim

**Coverage B**

Limit of Liability	\$100,000 each claim
	\$300,000 each policy period
Deductible	\$10,000 each claim

These are claims-made and reported policies. By acceptance of these policies, the Insured agrees that the statements in the Declarations and the application and any attachments hereto are the Insured's agreements and representations and that these policies embody all agreements existing between the Insured and the Companies or any of its agents relating to this insurance.

**Retroactive Dates for Coverages A & B**

It is agreed that notwithstanding any provision of these policies to the contrary, these policies do not apply, as respects Coverages A & B, to claims made against the Insured arising out of a single act, error, omission, misstatement or misleading statement which occurred prior to:

Retro Date for Coverage A	July 1, 1986
Retro Date for Coverage B	July 1, 1986

**Policy Forms:** NJSIG-E1 (7/15)

In witness whereof, the New Jersey Schools Insurance Group has caused this agreement to be signed by its Executive Director.

NJSIG Executive Director



New Jersey Schools Insurance Group  
Educational Risk and Insurance Consortium - North

Workers' Compensation and Employers' Liability Declarations Page

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**Named Insured:**

Roselle Borough Board of Education  
710 Locust Street  
Roselle, NJ 07203-1919

**Agent:**

Acrisure, LLC dba Louis Beckerman & Company  
430 Lake Avenue  
Colonia, NJ 07671-1132

**Policy Term:** 07/01/2018 to 07/01/2019 12:01 AM Eastern Standard Time

Estimated Professional & Clerical Payroll	\$25,994,286.00
Estimated Non-Professional Payroll	\$1,064,602.00
Experience Modifier	1.0048
ERIC North Discount	0.5310

The limits of our liability under Part One: Statutory

The limits of our liability under Part Two, Employers' Liability Agreement are:

Bodily Injury by Accident	\$2,000,000	each accident
Bodily Injury by Disease	\$2,000,000	each employee
Bodily Injury by Disease	\$2,000,000	aggregate limit

**Policy Forms:** NJSIG-W1 (7/03); NJSIG-W2 (7/03)

In witness whereof, the New Jersey Schools Insurance Group has caused this agreement to be signed by its Executive Director.

NJSIG Executive Director



**SINGLE AUDIT SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

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

Honorable President and Members  
of the Board of Education  
Borough of Roselle School District  
County of Union  
Roselle, New Jersey 07203

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Borough of Roselle School District (the "District") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 23, 2019.

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

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

## SUPLEE, CLOONEY & COMPANY

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. However, we also noted other matters that we have reported to the Roselle Board of Education of the Roselle School District in a separate Auditor's Management Report on Administrative Findings – Financial and Compliance dated December 23, 2019.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the 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*. However, we also noted other matters that we have reported to the Roselle Board of Education of the Roselle School District in a separate Auditor's Management Report on Administrative Findings – Financial and Compliance dated December 23, 2019.

### ***Roselle School District's Response to Findings***

The Roselle School District's response to the findings identified in our audit will be described in the District's Corrective Plan on file in the Business Administrator's Office. We did not audit the District's response and, accordingly, we express no opinion on it.

### ***Purpose of This Report***

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

December 23, 2019



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL  
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members  
of the Board of Education  
Borough of Roselle School District  
County of Union  
Roselle, New Jersey 07203

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

We have audited the Borough of Roselle School District's, County of Union, State of New Jersey compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Borough of Roselle School District's major federal and state programs for the year ended June 30, 2019. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Borough of Roselle School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey *OMB 15-08*. Those standards, the Uniform Guidance and New Jersey *OMB 15-08* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Roselle 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 federal and state program. However, our audit does not provide a legal determination of the Borough of Roselle School District's compliance.

# SUPLEE, CLOONEY & COMPANY

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

In our opinion, the Borough of Roselle School District, County of Union, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2019.

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

Management of the Borough of Roselle 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 Borough of Roselle School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with *the Uniform Guidance* and New Jersey OMB 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 Borough of Roselle 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 federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

December 23, 2019

BOROUGH OF ROSELLE SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

FEDERAL CFDA NUMBER	FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	BALANCE AT
								JUNE 30, 2018 UNEARNED REVENUE (ACCOUNTS RECEIVABLE)
						CASH	BUDGETARY	BALANCE AT
						RECEIVED	EXPENDITURES	JUNE 30, 2019 UNEARNED REVENUE (ACCOUNTS RECEIVABLE)
<b>Enterprise Fund</b>								
U.S. Department of Agriculture								
Passed-through State Department of Education:								
Child Nutrition Cluster:								
10.579	School Equipment Grant	181NJ354N8103	N/A	7/1/17-6/30/18	\$ 26,141.12	\$ 11,743.12	\$ (26,141.12)	\$ (14,398.00)
10.582	Fresh Fruit & Vegetable Program	181NJ304L1603	N/A	7/1/17-6/30/18	17,393.05	1,688.44		
10.553	National School Breakfast Program	191NJ304N1099	N/A	7/1/18-6/30/19	256,919.56	251,013.51	(273,050.50)	(22,036.99)
10.553	National School Breakfast Program	181NJ304N1099	N/A	7/1/17-6/30/18	256,919.56	127,993.49		
10.555	After School Snack Program	191NJ304N1099	N/A	7/1/18-6/30/19	47,945.04	89,304.94	(96,534.89)	(7,229.95)
10.555	After School Snack Program	181NJ304N1099	N/A	7/1/17-6/30/18	47,945.04	24,987.60		
10.559	Summer Food Service Program	191NJ304N1099	N/A	7/1/18-6/30/19	9,938.57	63,576.32	(63,576.32)	
10.559	Summer Food Service Program	181NJ304N1099	N/A	7/1/17-6/30/18	9,938.57	9,938.57		
10.555	National School Lunch - Food Distribution	191NJ304N1099	N/A	7/1/18-6/30/19	145,038.00	139,824.37	(115,704.64)	24,119.73
10.555	National School Lunch - Food Distribution	181NJ304N1099	N/A	7/1/17-6/30/18	145,038.00	15,845.21	(15,845.21)	
10.555	National School Lunch Program	191NJ304N1099	N/A	7/1/18-6/30/19	1,046,630.47	963,078.99	(1,046,630.47)	(83,551.48)
10.555	National School Lunch Program	181NJ304N1099	N/A	7/1/17-6/30/18	997,133.12	501,498.69		
Total Child Nutrition Cluster						\$ 2,184,648.04	\$ (1,637,483.15)	\$ (103,096.69)
Total U.S. Department of Agriculture						\$ 2,184,648.04	\$ (1,637,483.15)	\$ (103,096.69)
<b>General Fund</b>								
Special Education Medicaid Initiative (SEMI)								
93.778		1905NJ5MAP	N/A	7/1/18-6/30/19	198,747.38	198,747.38	(198,747.38)	
Special Revenue Fund						\$ 198,747.38	\$ (198,747.38)	\$
U.S. Department of Education								
Passed-through State Department of Education:								
E.S.S.A.:								
84.010	Title I Part A	S011A180030	NCLB454019	7/1/18-6/30/19	1,273,892.00	\$	\$ (969,726.57)	\$ (652,922.57)
84.010	Title I Part A	A011A170030	NCLB454018	7/1/17-6/30/18	1,092,110.00	(896,393.00)		
84.010	Title I S/A	S011A180030	NCLB454019	7/1/18-6/30/19	120,135.00		(116,029.60)	(116,029.60)
84.010	Title I S/A	A011A170030	NCLB454018	7/1/17-6/30/18	220,919.00	95,247.24		
84.367A	Title II Part A	S367A180029	NCLB454019	7/1/18-6/30/19	172,361.00		(109,358.58)	(109,358.58)
84.367A	Title II Part A	S367A170029	NCLB454018	7/1/17-6/30/18	134,361.00	134,361.00		
84.365A	Title III	S365A180030	NCLB454019	7/1/18-6/30/19	105,776.00		(55,162.63)	(55,162.63)
84.365A	Title III	S365A170030	NCLB454018	7/1/17-6/30/18	89,186.00	58,459.00		
84.365A	Title III Immigrant	S365A180030	NCLB454019	7/1/18-6/30/19	15,794.00		(4,407.39)	(4,407.39)
84.365A	Title III Immigrant	S365A170030	NCLB454018	7/1/17-6/30/18	15,795.00	12,492.00		
84.424A	Title IV	S424A180026	NCLB454019	7/1/18-6/30/19	64,646.00		(33,598.35)	(33,598.35)
84.424A	Title IV	S424A170026	NCLB454018	7/1/17-6/30/18	13,322.00	7,920.00		
84.287	21st Century	S287C180030	NA	7/1/18-6/30/19	549,270.00	388,612.00	(492,089.07)	(103,477.07)
Total N.C.L.B.						\$ (1,204,872.24)	\$ (1,780,372.19)	\$ (1,074,956.19)

BOROUGH OF ROSELLE SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE AT			
					JUNE 30, 2018	JUNE 30, 2019		
FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE					UNEARNED REVENUE (ACCOUNTS RECEIVABLE)	CASH RECEIVED	BUDGETARY EXPENDITURES	UNEARNED REVENUE (ACCOUNTS RECEIVABLE)
I.D.E.A. Special Education Cluster:								
I.D.E.A. Part B - Basic	S027A150100	IDEA454019	7/1/18-6/30/19	1,261,214.00	\$	231,007.00	\$ (797,385.73)	\$ (566,378.73)
I.D.E.A. Part B - Basic	S027A150100	IDEA454018	7/1/17-6/30/18	1,118,135.00	(220,314.13)	220,314.13		
I.D.E.A. Part B - Preschool	S027A150100	IDEA454019	7/1/18-6/30/19	49,107.00			(30,797.26)	(30,797.26)
I.D.E.A. Part B - Preschool	S173A150114	IDEA454018	7/1/17-6/30/18	52,760.00	(30,913.00)	30,913.00		
Total I.D.E.A. Special Education Cluster					\$ (251,227.13)	\$ 482,234.13	\$ (828,182.99)	\$ (597,175.99)
Perkins Secondary	V048A140030	N/A	7/1/18-6/30/19	11,422.00	\$	7,116.00	(11,422.00)	(4,306.00)
Perkins Secondary	V048A140030	N/A	7/1/17-6/30/18	21,171.00	(20,620.00)	20,620.00		
Total Other Special Revenue Fund Programs					\$ (20,620.00)	\$ 27,736.00	(11,422.00)	(4,306.00)
Total U.S. Department of Education					\$ (1,476,719.37)	\$ 2,420,258.37	(2,619,977.18)	(1,676,438.18)
Total Federal Financial Assistance					\$ (2,126,980.95)	\$ 4,803,653.79	(4,456,207.71)	(1,779,534.87)

See accompanying notes to schedules of financial assistance.

BOROUGH OF ROSELLE SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2018		CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEAR BALANCES	BALANCE AT JUNE 30, 2019		MEMO CUMULATIVE TOTAL EXPENDITURES			
				UNEARNED REVENUE (ACCTS.REC.)	DUE TO GRANTOR				UNEARNED REVENUE (ACCTS.REC.)	DUE TO GRANTOR				
<b>General Fund:</b>														
State Aid Cluster:														
Equalization Aid	19-495-034-5120-078	\$22,294,833.00	7/1/18-6/30/19	\$	\$	20,082,771.35	(22,294,833.00)	\$	\$	\$	2,212,061.65	\$	22,294,833.00	
Special Education Aid	19-495-034-5120-086	1,836,297.00	7/1/18-6/30/19	\$	\$	1,836,315.03	(1,836,297.00)	177,981.97	\$	\$	177,981.97	\$	1,836,297.00	
Security Aid	19-495-034-5120-084	1,283,877.00	7/1/18-6/30/19	\$	\$	1,156,747.02	(1,283,877.00)	127,129.98	\$	\$	127,129.98	\$	1,283,877.00	
				\$	\$	22,897,833.40	(25,415,007.00)	2,517,173.60	\$	\$	2,517,173.60	\$	25,415,007.00	
<b>Other-General Fund:</b>														
Extraordinary Special Education Costs Aid	18-495-034-5120-473	119,836.00	7/1/17-6/30/18	\$	(119,836.00)	\$	\$	\$	\$	\$	\$	\$	119,836.00	
Extraordinary Special Education Costs Aid	19-495-034-5120-473	194,120.00	7/1/18-6/30/19	\$	\$	\$	(194,120.00)	\$	\$	\$	194,120.00	\$	194,120.00	
Transportation Aid	19-495-034-5120-014	137,628.00	7/1/18-6/30/19	\$	\$	112,402.00	(137,628.00)	25,426.00	\$	\$	25,426.00	\$	137,628.00	
Reimbursed TPAF Social Security Contributions	19-495-034-5095-002	1,512,823.77	7/1/18-6/30/19	\$	\$	1,438,697.12	(1,512,823.77)	\$	(74,126.65)	\$	74,126.65	\$	1,512,823.77	
On-behalf TPAF long-term disability insurance	Not Available	5,499.00	7/1/18-6/30/19	\$	\$	5,499.00	(5,499.00)	\$	\$	\$	\$	\$	5,499.00	
On-behalf TPAF pension contributions	19-495-034-5094-002	3,835,704.00	7/1/18-6/30/19	\$	\$	3,835,704.00	(3,835,704.00)	\$	\$	\$	\$	\$	3,835,704.00	
On-behalf TPAF post retirement medical	19-495-034-5094-001	1,739,869.00	7/1/18-6/30/19	\$	\$	1,739,869.00	(1,739,869.00)	\$	\$	\$	\$	\$	1,739,869.00	
				\$	(119,836.00)	7,252,007.12	(7,425,843.77)	25,426.00	\$	(268,246.65)	\$	293,672.65	\$	7,545,679.77
<b>Special Revenue Fund:</b>														
Nonpublic Auxiliary Services:														
Compensatory Education	100-034-5120-067	168,360.00	7/1/18-6/30/19	\$	\$	168,360.00	(125,984.29)	\$	\$	\$	42,375.71	\$	125,984.29	
Compensatory Education	100-034-5120-067	193,999.00	7/1/17-6/30/18	\$	\$	\$	\$	(54,675.00)	\$	\$	\$	\$	193,999.00	
English as a Second Education	100-034-5120-067	2,588.00	7/1/18-6/30/19	\$	\$	2,588.00	(1,380.48)	\$	\$	\$	1,207.52	\$	1,380.48	
English as a Second Education	100-034-5120-067	1,807.00	7/1/17-6/30/18	\$	\$	\$	\$	(1,355.00)	\$	\$	\$	\$	1,807.00	
Transportation	100-034-5120-067	17,525.00	7/1/18-6/30/19	\$	\$	17,525.00	(17,525.00)	\$	\$	\$	\$	\$	17,525.00	
Nonpublic Handicap Services:														
Exam & Classification	100-034-5120-066	67,869.00	7/1/18-6/30/19	\$	\$	67,869.00	(44,953.38)	\$	\$	\$	22,915.62	\$	44,953.38	
Exam & Classification	100-034-5120-066	57,335.00	7/1/17-6/30/18	\$	\$	\$	\$	(13,475.00)	\$	\$	\$	\$	57,335.00	
Corrective Speech	100-034-5120-066	17,321.00	7/1/18-6/30/19	\$	\$	17,321.00	(17,321.00)	\$	\$	\$	\$	\$	17,026.00	
Supplementary Instruction	100-034-5120-066	49,956.00	7/1/18-6/30/19	\$	\$	49,956.00	(37,271.00)	\$	\$	\$	12,685.00	\$	37,271.00	
Supplementary Instruction	100-034-5120-066	57,886.00	7/1/17-6/30/18	\$	\$	\$	\$	(17,998.00)	\$	\$	\$	\$	57,886.00	
Nonpublic Technology Aid	100-034-5120-373	17,172.00	7/1/18-6/30/19	\$	\$	17,172.00	(17,026.00)	\$	\$	\$	146.00	\$	17,026.00	
Nonpublic Technology Aid	100-034-5120-373	18,870.00	7/1/17-6/30/18	\$	\$	\$	\$	(3,441.00)	\$	\$	\$	\$	18,870.00	
Nonpublic Textbook Aid	100-034-5120-064	25,471.00	7/1/18-6/30/19	\$	\$	25,471.00	(22,090.00)	\$	\$	\$	3,381.00	\$	22,090.00	
Nonpublic Textbook Aid	100-034-5120-064	27,938.00	7/1/17-6/30/18	\$	\$	\$	\$	(437.00)	\$	\$	\$	\$	27,938.00	
Nonpublic Security Aid	100-034-5120-509	74,572.00	7/1/18-6/30/19	\$	\$	76,050.00	(74,572.00)	\$	\$	\$	1,478.00	\$	74,572.00	
Nonpublic Security Aid	100-034-5120-509	49,179.00	7/1/18-6/30/19	\$	\$	49,179.00	(27,471.85)	\$	\$	\$	21,707.15	\$	27,471.85	
Nonpublic Nursing Aid	100-034-5120-070	52,768.00	7/1/18-6/30/19	\$	\$	530,328.60	(721,662.78)	\$	\$	\$	58,925.40	\$	52,768.00	
Nonpublic Nursing Aid	100-034-5120-070	721,662.78	7/1/17-6/30/18	\$	\$	1,021,819.60	(1,107,277.78)	\$	\$	\$	105,896.00	\$	721,662.78	
Preschool Education Aid	495-034-5120-086	721,662.78	7/1/17-6/30/18	\$	\$	1,021,819.60	(1,107,277.78)	\$	\$	\$	58,925.40	\$	721,662.78	
				\$	132,428.78	97,755.00	(1,107,277.78)	(38,629.60)	\$	\$	58,925.40	\$	1,517,565.78	
<b>Enterprise Fund:</b>														
National School Lunch Program (State Share)	19-100-010-3360-067	20,807.53	7/1/19-6/30/19	\$	\$	19,183.17	(20,807.53)	\$	\$	\$	1,624.36	\$	20,807.53	
National School Lunch Program (State Share)	18-100-010-3360-067	20,472.27	7/1/17-6/30/18	\$	\$	\$	\$	10,266.83	\$	(1,624.36)	\$	\$	20,472.27	
				\$	(10,266.83)	\$	(20,807.53)	\$	\$	\$	1,624.36	\$	41,279.80	
<b>Capital Projects Fund:</b>														
Schools Development Authority Grants	Various	8,368,767.00	Various	\$	\$	479,430.92	\$	\$	\$	\$	423,287.08	\$	3,428,560.81	
				\$	(8,219,956.18)	\$	(7,317,238.18)	\$	\$	\$	7,317,238.18	\$	3,428,560.81	
				\$	(8,219,956.18)	\$	(7,317,238.18)	\$	\$	\$	7,317,238.18	\$	3,428,560.81	
				\$	(8,217,630.23)	\$	(7,587,109.19)	\$	\$	\$	10,186,534.19	\$	37,948,113.16	
<b>Total state financial assistance subject to single audit</b>														

Less On-behalf amounts not utilized for determination of major programs:  
On-behalf TPAF long-term disability insurance 5,499.00  
On-behalf TPAF pension contributions 3,835,704.00  
On-behalf TPAF post retirement medical (28,387,864.08)

See accompanying notes to schedules of financial assistance



**Borough of Roselle School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2019**

**NOTE 1: GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Board of Education, Borough of Roselle School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from the federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying schedules of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 of the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**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 schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

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

**Borough of Roselle School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2019**

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$134,951.50) for the general fund, (\$2,584.50) for the special revenue fund, and (\$4,881,613.76) for the capital projects fund. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$198,747.38	\$32,705,899.27	\$32,904,646.65
Special Revenue Fund	2,619,977.18	1,104,693.28	3,724,670.46
Food Service Fund	<u>1,637,483.15</u>	<u>10,540.70</u>	<u>1,648,023.85</u>
Total Awards & Financial Assistance	<u><u>\$4,456,207.71</u></u>	<u><u>\$33,821,133.25</u></u>	<u><u>\$38,277,340.96</u></u>

**NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5: OTHER**

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions, post-retirement medical benefits, and long-term disability insurance represents the amount paid by the state on behalf of the district for the year ended June 30, 2019. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2019.

**Borough of Roselle School District**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2019**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

- |     |  |            |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued:   | Unmodified |
| (2) | Internal Control Over Financial Reporting:   |            |
|     | (a) Material weakness identified?  | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No         |
| (3) | Noncompliance material to basic financial statements noted?                                | No         |

**Federal Program(s)**

- |     |  |            |
|-----|--|------------|
| (1) | Internal Control Over Major Federal Programs:  |            |
|     | (a) Material weakness identified?  | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses?                 | No         |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)?                                | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with Federal Uniform Guidance? | No         |
| (4) | Identification of Federal State Program(s):  |            |

<u>Program</u>	<u>CFDA Number</u>
Title I	84.010
21st Century	84.287

- |     |  |  |
|-----|--|--|
| (5) | Program Threshold Determination:                 |  |
|     | Type A Federal Program Threshold > \$750,000.00  |  |
|     | Type B Federal Program Threshold <= \$750,000.00 |  |

**Borough of Roselle School District**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2019**

**Section I – Summary of Auditor’s Results (Continued)**

**Federal Program(s) (Continued)**

(6) Auditee qualified as a low-risk auditee under Federal Uniform Guidance? Yes

**State Program(s)**

(1) Internal Control Over Major State Programs:

(c) Material weakness identified? No

(d) Significant deficiencies identified that are not considered to be material weaknesses? No

(2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified

(3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? No

(4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant Number</u>
State Aid Cluster:	
Special Education Categorical Aid	495-034-5120-089
Security Aid	495-034-5120-084
Equalization Aid	495-034-5120-078
Preschool Education Aid	495-034-5120-086

**Borough of Roselle School District**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2019**

**Section I – Summary of Auditor’s Results (Continued)**

**State Program(s) (Continued)**

- (5) Program Threshold Determination:
  - Type A State Program Threshold > \$851,635.92
  - Type B State Program Threshold <= \$851,635.92
  
- (6) Auditee qualified as a low-risk auditee under New Jersey OMB Circular 15-08? Yes

**Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards**

**Internal Control Findings**

None Reported

**Compliance Findings**

None Reported

**Section III – Findings and Questioned Costs Relative to Major Federal and State Programs**

Federal Programs – None Reported

State Programs – None Reported

Borough of Roselle School District

Schedule of Prior Year Audit Findings

Section II - Financial Statement Audit - Reported Findings Under Government Auditing Standards

Finding: 2018-001

**Condition:** The District has deficiencies in the design and operation of its internal control over financial reporting.

**Current Status:** This condition has been corrected.

Finding: 2018-002

**Condition:** The District did not comply with various administrative and statutory regulations relative to maintaining complete and accurate financial reporting records.

**Current Status:** This condition has been corrected.

