

**SCHOOL DISTRICT OF THE
BOROUGH OF RAMSEY
COUNTY OF BERGEN, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

**School District
of**

Ramsey

**RAMSEY BOARD OF EDUCATION
Ramsey, New Jersey**

**Comprehensive Annual Financial Report
Year Ended June 30, 2021**

Comprehensive Annual Financial Report

of the

RAMSEY BOARD OF EDUCATION
Ramsey, New Jersey

Year Ended June 30, 2021

Prepared by

Thomas W. O'Hern
Business Administrator/Board Secretary

OUTLINE OF CAFR

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INTRODUCTORY SECTION



RAMSEY SCHOOL DISTRICT

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MATTHEW J. MURPHY, ED.D
SUPERINTENDENT OF SCHOOLS

THOMAS W. O'HERN
BUSINESS ADMINISTRATOR
BOARD SECRETARY

February 1, 2022

Honorable President and
Members of the Board of Education
Ramsey School District
County of Bergen, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Ramsey School District for the fiscal year ending June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the independent auditor's report, the management's discussion and analysis, and the financial statements and notes. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards (Uniform Guidance) and new Jersey States Office of Management and budget Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Ramsey School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement #34. All funds and account groups of the District are included in this report. The Ramsey School District Board of Education and all its schools constitute the District's reporting entity.

Achieving Excellence One Student At A Time

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special education for disabled students. During the 2020-2021 fiscal year, the average daily enrollment of 2,579 students is 180 students below the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Enrollment Data

Fiscal Year	Average Daily Enrollment	% Change
2020-2021	2,579	-6.9%
2019-2020	2,759	+1.21%
2018-2019	2,726	-1.50%
2017-2018	2,767	-0.40%
2016-2017	2,778	-1.87%
2015-2016	2,831	-1.66%
2014-2015	2,878	-2.18%
2013-2014	2,942	-1.18%
2012-2013	2,977	-1.55%
2011-2012	3,024	-1.08%
2010-2011	3,057	-1.45%

ECONOMIC CONDITION AND OUTLOOK: The Ramsey community is essentially developed to almost capacity. The increase in ratables during the past decade has slowed as a result of a decline in new construction. As of 2006, there were only 31.0 acres of vacant land in the borough. As a result, the ratable base is not expected to increase significantly.

As a suburb of the New York Metropolitan area, the region has seen an increase of 4.1% in the consumer price index for the year ending June, 2021.

3. MAJOR INITIATIVES: The 2020-2021 school year saw several new projects and initiatives that deserve mention.

The District continued with its Profile of a Graduate initiative that drives our curriculum, instruction, assessment, technology and professional development planning. District wide attention was spent on aligning the new, New Jersey Student Learning Standards and NGSS Standards. Extensive work was done in the area of Instructional Design and the creation of revised curriculum units. The 1:1 Device Initiative continued with intensive staff development and the co-teaching initiative was undertaken with support from TCNJ.

In addition, the District spent considerable time and resources to support the staff with the addition of support personnel, targeted professional development, and peer coaching.

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

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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

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

6. 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 a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

7. 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.

8. OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ferraioli, Wielkottz, Cerullo & Cuva, P.A. was appointed by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit

requirements for Federal Awards (Uniform Guidance) and New Jersey State Office of Management and Budget Circular 15-08. The auditor's report on the basic financial statements and specific required supplemental information 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.

9. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Ramsey 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:

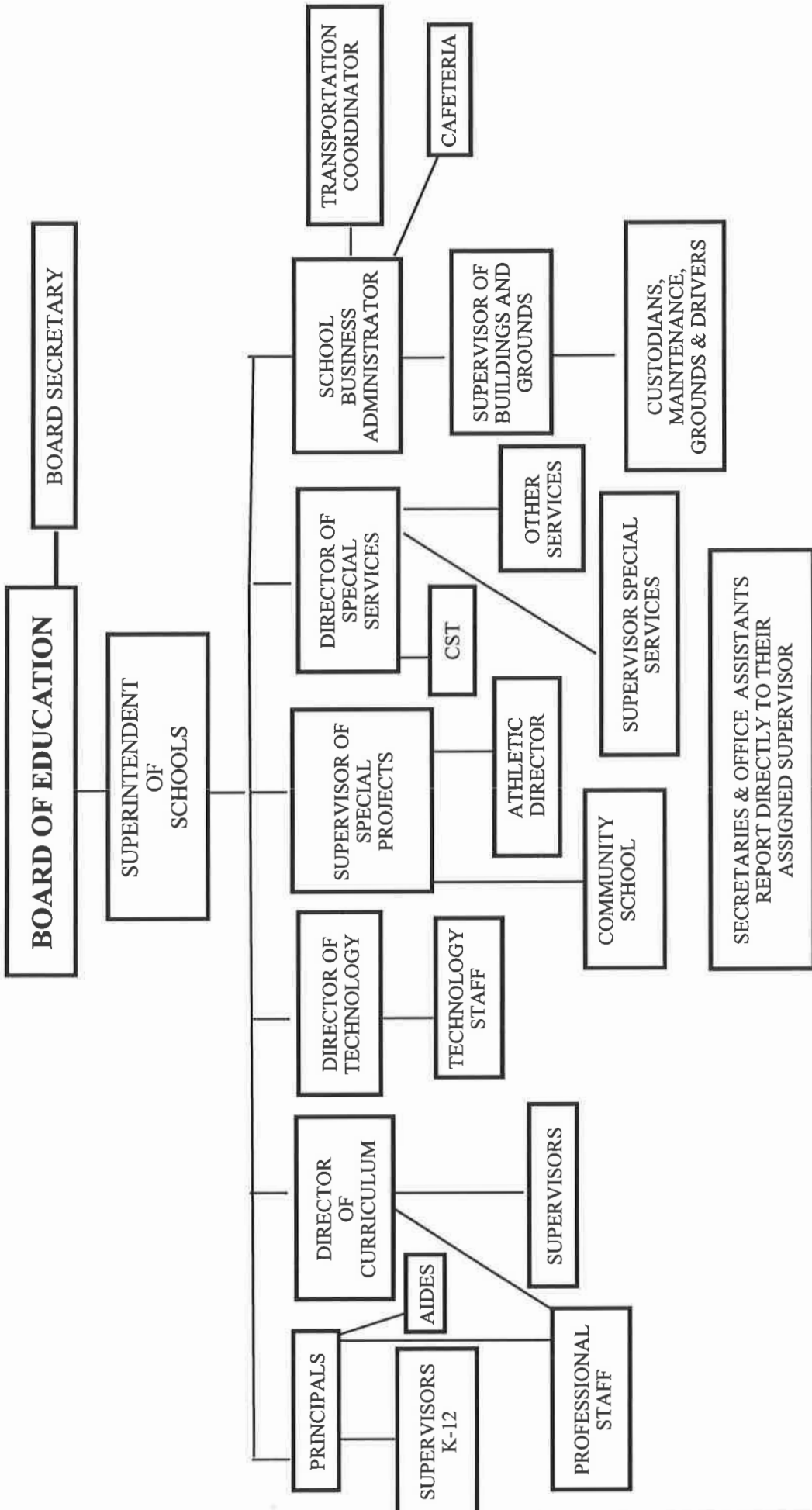
Matthew J. Murphy

Matthew J. Murphy, Ed.D.
Superintendent of Schools

Thomas W. O'Hern

Thomas W. O'Hern
Business Administrator/Board Secretary

ORGANIZATIONAL CHART



**RAMSEY PUBLIC SCHOOLS
RAMSEY, NEW JERSEY**

**RAMSEY BOARD OF EDUCATION
BERGEN COUNTY, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2021**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Laura E. Genovese Behrmann, President	2024
Andrea F. Lamendola, Vice President	2024
Jennifer Burns	2023
Nicholas Capuano	2022
Ralph J. Caputo	2024
Scott Kaufman	2023
Keri Walsh (7/1/20 – 5/12/21)	2022
Andrew Seltzer (5/25/21 – 6/30/21)	2022
David Rockefeller	2022
Anthony Socci	2023
<u>Other Officials</u>	
Dr. Matthew Murphy, Superintendent of Schools	
Thomas W. O’Hern, Business Administrator/Board Secretary	
Eric Harrison, Esq., Solicitors	

**RAMSEY BOARD OF EDUCATION
CONSULTANTS AND ADVISORS
JUNE 30, 2021**

Architect/Engineer

Solutions Architecture
96 Pompton Ave.
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Audit Firm

Wielkocz & Company LLC
401 Wanaque Avenue
Pompton Lakes, NJ 07442

Attorney

Eric Harrison, Esq.
Methfessel & Werbel, Esqs.
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FINANCIAL SECTION



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
THOMAS M. FERRY, CPA, RMA, PSA

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Ramsey School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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



Honorable President and
Members of the Board of Education
Page 2.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Ramsey Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2021, 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.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the basic financial statements, in fiscal year 2021, the Board adopted Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. As a result, prior year balances were restated (Note 16) to reflect the implementation of this Statement. Our opinions are not modified with respect to this matter.

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, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting



Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Ramsey Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2022 on our consideration of the Borough of Ramsey Board of Education’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Ramsey Board of Education’s internal control over financial reporting and compliance.

Steven D. Wielkocz

Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkocz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

February 1, 2022



**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

As management of the Borough of Ramsey School District (the "School District"), we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities of the Borough of Ramsey School District for the fiscal year ended June 30, 2021.

The management's discussion and analysis is provided at the beginning of the audit to provide an overall review of the past and current position of the School District's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District's revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund, Debt Service Fund and Enterprise Fund.

FINANCIAL HIGHLIGHTS

In total, net position increased \$5,776,854. Net position of governmental activities increased \$5,796,790 while net assets of business-type activity decreased by \$(19,936).

General revenues accounted for \$90,890,160 in revenue or 97 percent of all district revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$2,911,638 or 3 percent of total revenues of \$93,801,798.

The School District had \$87,754,808 in expenses related to governmental activities; only \$2,808,256 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$90,743,342 were adequate to provide for these programs.

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

USING THIS ANNUAL REPORT

This discussion and analysis are intended to serve as an introduction to the Borough of Ramsey School District's basic financial statements. The Borough of Ramsey School District's basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-Wide Financial Statements

The *district-wide financial statements* are designed to provide readers with a broad overview of the Borough of Ramsey School District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Borough of Ramsey School District's assets and liabilities using the accrual basis of accounting, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Borough of Ramsey School District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the district-wide financial statements distinguish functions of the Borough of Ramsey School District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Borough of Ramsey School District include instruction, support services and special schools. The business-type activities of the Borough of Ramsey School District include the food service program.

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Borough of Ramsey School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of these funds of the Borough of Ramsey School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflow of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Borough of Ramsey School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund, and debt service fund which are all considered to be major funds.

The Borough of Ramsey School District adopts annual appropriated budgets for its governmental funds except for the capital projects fund. A budgetary comparison statement has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

Proprietary Funds

The Borough of Ramsey School District maintains one proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the district-wide financial statements. The Borough of Ramsey School District uses enterprise funds to account for its food service program.

Proprietary funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the local district services operations.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the district-wide financial statements because the resources of those funds are *not* available to support the Borough of Ramsey School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS

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

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

The School District's net position was \$40,648,053 at June 30, 2021 and \$33,802,469 at June 30, 2020, respectively. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2021 compared to 2020 (Table 1) and change in net position (Table 2) of the School District.

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Assets						
Current and Other Assets	50,840,198	59,394,046	48,762	86,767	50,888,960	59,480,813
Capital Assets	<u>57,204,220</u>	<u>44,839,199</u>	<u>36,944</u>	<u>44,040</u>	<u>57,241,164</u>	<u>44,883,239</u>
Total Assets	<u>108,044,418</u>	<u>104,233,245</u>	<u>85,706</u>	<u>130,807</u>	<u>108,130,124</u>	<u>104,364,052</u>
Deferred Outflows:						
Unamortized Bond Issuance Costs	17,240	34,483			17,240	34,483
Deferred Outflows of Resources	<u>2,730,089</u>	<u>3,508,644</u>			<u>2,730,089</u>	<u>3,508,644</u>
Total Deferred Outflows	<u>2,747,329</u>	<u>3,543,127</u>	_____	_____	<u>2,747,329</u>	<u>3,543,127</u>
Liabilities						
Current Liabilities	1,843,869	1,912,695	53,089	77,841	1,896,958	1,990,536
Noncurrent Liabilities	<u>61,978,047</u>	<u>65,848,082</u>	_____	_____	_____	_____
Total Liabilities	<u>63,821,916</u>	<u>67,760,777</u>	<u>53,089</u>	<u>77,841</u>	<u>1,896,958</u>	<u>1,990,536</u>
Deferred Outflows:						
Unamortized Bond Issuance						
Premiums	139,091	278,182			139,091	278,182
Deferred Inflows of Resources						
Related to PERS	<u>6,214,991</u>	<u>9,987,497</u>	_____	_____	<u>6,214,991</u>	<u>9,987,497</u>
Total Deferred Outflows	<u>6,354,082</u>	<u>10,265,679</u>	_____	_____	<u>6,354,082</u>	<u>10,265,679</u>
Net Assets						
Net Investment in Capital Assets	10,562,369	(4,459,500)	36,944	43,627	10,599,313	(4,415,873)
Restricted	48,341,372	58,147,398			48,341,372	58,147,398
Unrestricted	<u>(18,288,305)</u>	<u>(19,937,982)</u>	<u>(4,327)</u>	<u>8,926</u>	<u>(18,292,632)</u>	<u>(19,929,056)</u>
Total Net Position	<u>40,615,436</u>	<u>33,749,916</u>	<u>32,617</u>	<u>52,553</u>	<u>40,648,053</u>	<u>33,802,469</u>

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Table 2 below shows the changes in net position for fiscal year 2021 compared to 2020.

**Table 2
Changes in Net Position
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues						
Program Revenues:						
Charges for Services and						
Sales	1,140,962		7,700	388,753	1,148,662	388,753
Operating Grants and						
Contributions	1,667,294	1,276,604	95,682	68,270	1,762,976	1,344,874
General Revenues:						
Taxes:						
Property taxes	62,363,666	60,690,874			62,363,666	60,690,874
Federal and State Aid not						
Restricted	26,775,915	15,243,157			26,775,915	15,243,157
Transportation Fees	12,545	24,799			12,545	24,799
Tuition Received	1,440,183	1,655,718			1,440,183	1,655,718
Miscellaneous Income	213,714	311,463	6,760		220,474	311,463
Investment Income	76,765	537,981	58	61	76,823	538,042
Other Restricted Miscellaneous						
Revenue	554				554	
Other Financing Sources/(Uses)	<u>(140,000)</u>	<u>(30,250)</u>	<u>140,000</u>	<u>30,250</u>	<u>0</u>	<u>0</u>
Total Revenues and Transfers	<u>93,551,598</u>	<u>79,710,346</u>	<u>250,200</u>	<u>487,334</u>	<u>93,801,798</u>	<u>80,197,680</u>

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Functions/Program Expenses						
Instruction:						
Regular	27,061,549	25,704,623			27,061,549	25,704,623
Special Education	7,753,735	7,069,172			7,753,735	7,069,172
Other Special Instruction	777,047	1,017,496			777,047	1,017,496
Other Instruction	1,551,138	1,568,018			1,551,138	1,568,018
Support Services:						
Instruction	2,595,334	2,404,145			2,595,334	2,404,145
Student & Instruction Related Services	11,134,906	10,122,252			11,134,906	10,122,252
General Administrative Services	1,595,177	1,400,165			1,595,177	1,400,165
School Administrative Services	2,524,998	2,339,418			2,524,998	2,339,418
Central Services	625,310	583,670			625,310	583,670
Administrative Info. Tech.	36,037	35,942			36,037	35,942
Plant Operations and Maintenance	5,996,531	5,381,244			5,996,531	5,381,244
Pupil Transportation	1,738,624	1,919,194			1,738,624	1,919,194
Unallocated Benefits	20,562,489	10,224,618			20,562,489	10,224,618
Capital Outlay-						
Non-depreciable	219,483	2,253,420			219,483	2,253,420
Interest on Long-Term Debt	1,543,836	1,537,041			1,543,836	1,537,041
Unallocated depreciation	2,160,462	2,082,973			2,160,462	2,082,973
Capital Lease Obligation and Amortization	(121,848)	(121,848)			(121,848)	(121,848)
Food Service	<u> </u>	<u> </u>	<u>270,136</u>	<u>578,316</u>	<u>270,136</u>	<u>578,316</u>
Total Expenses	<u>87,754,808</u>	<u>75,521,543</u>	<u>270,136</u>	<u>578,316</u>	<u>88,024,944</u>	<u>76,099,859</u>
Increase or (Decrease) in Net Position	<u>5,796,790</u>	<u>4,188,803</u>	<u>(19,936)</u>	<u>(90,982)</u>	<u>5,776,854</u>	<u>4,097,821</u>

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business-Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$88,024,944. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$62,363,666 because some of the cost was paid by those who benefitted from the programs \$1,148,662, by other governments and organizations who subsidized certain programs with grants and contributions \$1,762,976, unrestricted federal and state aid \$26,775,915, tuition received \$1,440,183, and by miscellaneous sources \$310,396.

Revenues for the District’s business-type activities (food service program) were comprised of charges for services and federal and state subsidy reimbursements. Significant financial results include the following:

- ✓ Food service expenses exceeded revenues by \$19,936.
- ✓ Charges for services provided totaled \$7,700 represents amounts paid by consumers for daily food services.
- ✓ Federal and state reimbursement for meals served, including payments for free and reduced priced lunches, and donated commodities was \$95,682.

The following schedules present a summary of governmental fund revenues for the fiscal year ended June 30, 2021, and the amount and percentage of increases/(decreases) relative to the prior year.

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Local Source	\$65,250,381	80.2%	(\$3,793,454)	(5.49%)	\$69,043,835
State Source	14,951,010	18.4 %	2,971,044	24.80%	11,979,966
Federal Source	<u>1,131,212</u>	<u>1.4%</u>	<u>330,873</u>	41.34%	<u>800,339</u>
Total	<u>\$81,332,603</u>	<u>100.0%</u>	<u>(\$491,537)</u>	(.060%)	<u>\$81,824,140</u>

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Current Expenditures:					
Instruction	\$29,421,649	32.4%	\$2,601,089	9.70%	\$26,820,560
Undistributed	43,158,584	47.6%	4,148,201	10.63%	39,010,383
Debt Service	4,101,612	4.5%	1,274,517	45.08%	2,827,095
Capital Outlay	<u>14,043,332</u>	<u>15.5%</u>	<u>5,572,238</u>	65.78%	<u>8,471,094</u>
Total	<u>\$90,725,177</u>	<u>100.0%</u>	<u>\$13,596,045</u>	17.63%	<u>\$77,129,132</u>

Changes in expenditures were the result of varying factors. Current expense undistributed increased due to significant health insurance cost increases combined with increased student special education enrollment.

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District’s budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund and the special revenue fund.

During the fiscal year ended June 30, 2021, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state’s contribution to the pension fund, is neither a revenue item nor an expenditures item to the district but is required to be reflected in the financial statements.
- The special revenue fund was increased by \$822,336 for increases in federal and state grant awards.

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

General Fund

The general fund actual revenue was \$74,431,803 including transfers. That amount is \$11,831,545 above the final amended budget of \$62,600,258. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$11,306,731 for TPAF social security reimbursements and on-behalf pension payments, an increase in other state and federal aids of \$39,394, an operating transfer in from capital projects of \$76,765, and an excess of \$408,655 in miscellaneous anticipated revenues.

The actual expenditures of the general fund were \$70,094,242 including transfers which is \$250,355 above the final amended budget of \$69,843,887. The variance between the actual expenditures and final budget was due to non-budget on-behalf TPAF social security and pension payments of \$11,306,731, and \$11,056,376 unexpended budgeted funds.

General fund had total revenues of \$74,731,803 including transfers and total expenditures and transfers of \$70,094,242 with an ending fund balance of \$29,193,136.

Special Revenue Fund

The special revenue fund actual revenue was \$2,670,230 including transfers. That amount is \$780,464 above the final amended budget of \$1,889,766. The variance between the actual revenue and the final budget was state and federal grant revenue that was anticipated to be spent by fiscal year end and receipts for student activity accounts and/or scholarships. The state and federal grant revenue will be received/realized in the next fiscal year.

The actual expenditures of the special revenue fund were \$2,854,930, which is \$965,164 above the final amended budget of \$1,889,766. The variance between actual expenditures and the final budget was due to the anticipation of fully expending state and federal grant programs and expenditures for student activity accounts and/or scholarships. Expenditures will be incurred in the next fiscal year.

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2021 the School District had \$98,918,986 invested in sites, buildings, equipment. Of this amount \$41,677,822 in depreciation has been taken over the years. We currently have a net book value of \$57,241,164.

**Table 3
Capital Assets at June 30,
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Sites and Improvements	\$17,550,421	\$6,454,642	\$	\$	\$17,550,421	\$6,454,642
Buildings and Improvements	37,659,630	37,187,443			37,659,630	37,187,443
Furniture, Equipment and Vehicles	<u>1,994,169</u>	<u>1,197,114</u>	<u>36,944</u>	<u>43,627</u>	<u>2,031,113</u>	<u>1,240,741</u>
	<u>\$57,204,220</u>	<u>\$44,839,199</u>	<u>\$36,944</u>	<u>\$43,627</u>	<u>\$57,241,164</u>	<u>\$44,882,826</u>

Debt Administration

At June 30, 2021, the District had \$61,978,047 of long-term debt. Of this amount, \$1,206,390 is for compensated absences, \$46,520,000 is school improvement serial bonds, and \$14,251,657 is for net pension liability.

**Table 4
Outstanding Serial Bonds at June 30,**

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
School Refunding Bonds - 2012	\$4,685,000	\$6,140,000
School Improvement Bonds - 2019	36,240,000	37,092,000
School Improvement Bonds - 2020	<u>5,595,000</u>	<u>5,823,000</u>
	<u>\$46,520,000</u>	<u>\$49,055,000</u>

**RAMSEY BOARD OF EDUCATION
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The economy in the State of New Jersey is slowly improving. The current State of New Jersey revenue estimates are at the point that the legislature and governor have approved a State Aid funding bill for the 2021-2022 school year that is lower than the level of the 2020-2021 school year.

These factors were considered in preparing the Borough of Ramsey School District's budgets for the 2021-2022 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Ramsey Board of Education's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Thomas W. O'Hern
Business Administrator/Board Secretary
Ramsey Board of Education
25 N. Franklin Turnpike
Ramsey, NJ 07446

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

RAMSEY BOARD OF EDUCATION
Statement of Net Position
June 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	31,257,432	29,797	31,287,229
Receivables, net	584,056	13,066	597,122
Internal balances	(410)	410	-
Inventory		5,489	5,489
Restricted assets:			
Capital reserve account - cash	18,030,590		18,030,590
Net payroll account - cash	5,634		5,634
Payroll deductions and withholdings account - cash	16,150		16,150
Flexible spending account - cash	21,029		21,029
Unemployment compensation account - cash	344,972		344,972
Student activity accounts - cash	544,000		544,000
Scholarship accounts - cash	25,595		25,595
Capital assets, net:			
Land	17,550,421		17,550,421
Other capital assets, net	39,653,799	36,944	39,690,743
Total Assets	<u>108,033,268</u>	<u>85,706</u>	<u>108,118,974</u>
Deferred Outflow of Resources:			
Unamortized bond issuance costs	17,240		17,240
Deferred outflows of resources related to PERS	2,730,089		2,730,089
Total Deferred Outflows	<u>2,747,329</u>		<u>2,747,329</u>
LIABILITIES			
Accounts payable and accrued liabilities	1,690,311	20,328	1,710,639
Payable to state government	81,075		81,075
Unearned revenue	-	32,761	32,761
Payroll deductions and withholdings payable	31,663		31,663
Unemployment compensation claims payable	29,983		29,983
Noncurrent liabilities:			
Due within one year	2,575,000		2,575,000
Due beyond one year	59,403,047		59,403,047
Total liabilities	<u>63,811,079</u>	<u>53,089</u>	<u>63,864,168</u>
Deferred Inflow of Resources:			
Unamortized bond issuance premiums	139,091		139,091
Deferred inflows of resources related to PERS	6,214,991		6,214,991
Total Deferred Inflows	<u>6,354,082</u>		<u>6,354,082</u>
NET POSITION			
Net investment in capital assets	10,562,369	36,944	10,599,313
Restricted for:			
Capital projects	21,088,649		21,088,649
Other purposes	27,252,723		27,252,723
Unrestricted (Deficit)	<u>(18,288,305)</u>	<u>(4,327)</u>	<u>(18,292,632)</u>
Total net position	<u>40,615,436</u>	<u>32,617</u>	<u>40,648,053</u>

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

RAMSEY BOARD OF EDUCATION
Statement of Activities
Fiscal Year Ended June 30, 2021

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	21,288,776	5,772,773			(27,061,549)		(27,061,549)
Special education	6,180,924	1,572,811		1,040,986	(6,712,749)		(6,712,749)
Other special instruction	649,178	127,869			(777,047)		(777,047)
Other instruction	1,239,788	311,350			(1,551,138)		(1,551,138)
Support services:							
Instruction	2,595,334				(2,595,334)		(2,595,334)
Student & instruction related services	9,451,435	1,683,471	1,140,962 *	626,308	(9,367,636)		(9,367,636)
General administrative services	1,434,028	161,149			(1,595,177)		(1,595,177)
School administrative services	1,989,876	535,122			(2,524,998)		(2,524,998)
Central Services	485,731	139,579			(625,310)		(625,310)
Administrative information tech.	36,037				(36,037)		(36,037)
Plant operations and maintenance	5,258,753	737,778			(5,996,531)		(5,996,531)
Pupil transportation	1,655,840	82,784			(1,738,624)		(1,738,624)
Unallocated benefits	20,562,489				(20,562,489)		(20,562,489)
Capital outlay - non-depreciable	219,483				(219,483)		(219,483)
Interest on long-term debt	1,543,836				(1,543,836)		(1,543,836)
Unallocated depreciation	2,160,462				(2,160,462)		(2,160,462)
Amortization	(121,848)				121,848		121,848
Total governmental activities	76,630,122	11,124,686	1,140,962	1,667,294	(84,946,552)	-	(84,946,552)
Business-type activities:							
Food Service	270,136		7,700			(166,754)	(166,754)
Total business-type activities	270,136		7,700			(166,754)	(166,754)
Total primary government	76,900,258		1,148,662	1,762,976	(84,946,552)		(85,113,300)

General revenues:

Taxes:							
Levied for general purposes	59,021,889						59,021,889
Taxes levied for debt service	3,341,777						3,341,777
Federal and State aid not restricted	26,775,915						26,775,915
Tuition received	105,934						105,934
Tuition from Other LEAs Within the State	1,334,249						1,334,249
Transportation Fees	12,545						12,545
Investment Earnings	76,765				58		76,823
Miscellaneous Income	213,714				6,760		220,474
Other Restricted Miscellaneous Revenue	554						554
Other Financing Sources/(Uses)	(140,000)				140,000		-
Total general revenues, special items, extraordinary items and transfers	90,743,342				146,818		90,890,160
Change in Net Position	5,796,790				(19,936)		5,776,854
Net Position—beginning	33,749,916				52,553		33,802,469
Prior period adjustments	1,068,730						1,068,730
Net Position—beginning (restated)	34,818,646				52,553		34,871,199
Net Position—ending	40,615,436				32,617		40,648,053

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

* Student Activity revenue is reported as "charges for services"; scholarship revenue is reported as "operating grants and contributions"
** Includes the interest earnings on the unemployment compensation bank account

FUND FINANCIAL STATEMENTS

RAMSEY BOARD OF EDUCATION
Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents				
Checking	9,234,410	55,059	21,967,963	31,257,432
Accounts Receivable -				
Intergovernmental - State	468,509			468,509
Intergovernmental - Federal		26,016		26,016
Interfund receivables	879,314			879,314
Other receivables	89,531			89,531
Restricted cash and cash equivalents:				
Capital reserve	18,030,590			18,030,590
Net payroll	5,634 *			5,634
Payroll deductions and withholdings	16,150 *			16,150
Flexible spending	21,029 *			21,029
Unemployment compensation	344,972 *			344,972
Student activity accounts		544,000 *		544,000
Scholarship accounts		25,595 *		25,595
Total assets	29,090,139	650,670	21,967,963	51,708,772
LIABILITIES AND FUND BALANCES				
Liabilities:				
Intergovernmental payable:				
State		81,075 **		81,075
Interfund Payable	410		879,314	879,724
Payroll deductions and withholdings payable	31,663 ***			31,663
Unemployment compensation claims payable	29,983 ****			29,983
Total liabilities	62,056	81,075	879,314	1,022,445
Fund Balances:				
Restricted for:				
Excess Surplus - current year	2,400,147			2,400,147
Excess Surplus - prior year - designated for subsequent year's expenditures	2,432,499			2,432,499
Capital reserve account	18,030,590			18,030,590
Student Groups		544,000		544,000
Scholarships		25,595		25,595
Unemployment compensation	314,989			314,989
Assigned to:				
Year-end Encumbrances	3,474,920			3,474,920
Capital projects fund			21,088,649	21,088,649
Unassigned:				
General Fund	2,374,938			2,374,938
Total Fund balances	29,028,083	569,595	21,088,649	50,686,327
Total liabilities and fund balances	29,090,139	650,670	21,967,963	

**RAMSEY BOARD OF EDUCATION
Balance Sheet
Governmental Funds
June 30, 2021**

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$98,434,913 and the accumulated depreciation, is \$41,230,693	57,204,220
Accounts payable for subsequent Pension payment is not a payable in the funds	(1,000,313)
Bond issuance premium is recorded as revenue in the Governmental Funds in the year of receipt. The original premium is \$1,390,910 and accumulated amortization is \$1,251,819	(139,091)
Bond issuance costs are reported as expenditures in the Governmental Funds in the year of the expenditure. The costs are \$172,427 and accumulated amortization is \$155,187	17,240
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	2,730,089
Deferred inflows of resources related to PERS Pension Liability	(6,214,991)
Accrued interest liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(689,998)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(61,978,047)
Net position of governmental activities	<u>40,615,436</u>

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

- * Include former fiduciary fund cash and cash equivalents
- ** Include payable due to the State for unreimbursed unemployment invoices
- *** Include payroll deductions payable and flexible benefits liabilities (flex spending has no net position, only liabilities)
- **** Include unspent employee payroll unemployment contributions

RAMSEY BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local sources:					
Local tax levy	59,021,889			3,341,777	62,363,666
Tuition charges	105,934				105,934
Tuition from Other LEAs Within the State	1,334,249				1,334,249
Transportation Fees	12,545				12,545
Other Restricted Miscellaneous Revenues	554 *				554
Interest on Investments			76,765		76,765
Miscellaneous	213,714				213,714
Scholarship Donations		1,992 **			1,992
Student Group Receipts		1,140,962 **			1,140,962
Total - Local Sources	60,688,885	1,142,954	76,765	3,341,777	65,250,381
State sources	13,626,432	565,407		759,171	14,951,010
Federal sources	31,317	1,099,895			1,131,212
Total revenues	74,346,634	2,808,256	76,765	4,100,948	81,332,603
EXPENDITURES					
Current:					
Regular instruction	21,343,484				21,343,484
Special education instruction	5,139,938	1,040,986			6,180,924
Other special instruction	649,178				649,178
School sponsored/other instructional	1,248,063				1,248,063
Support services and undistributed costs:					
Instruction	2,595,334				2,595,334
Attendance and social work services	51,535				51,535
Health services	449,544				449,544
Student & instruction related services	7,225,506	1,951,970 ***			9,177,476
General administrative services	1,546,352				1,546,352
School administrative services	1,989,876				1,989,876
Central services	485,731				485,731
Administrative information tech.	36,037				36,037
Plant operations and maintenance	5,557,960				5,557,960
Pupil transportation	1,655,840				1,655,840
Unallocated benefits	8,306,168				8,306,168
On-behalf contributions	11,306,731				11,306,731
Debt Service:					
Principal				2,535,000	2,535,000
Interest and charges				1,566,612	1,566,612
Capital outlay	366,965		13,676,367		14,043,332
Total expenditures	69,954,242	2,992,956	13,676,367	4,101,612	90,725,177
Excess (Deficiency) of revenues over expenditures	4,392,392	(184,700)	(13,599,602)	(664)	(9,392,574)

RAMSEY BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
OTHER FINANCING SOURCES (USES)					
Transfers out - Enterprise Fund	(140,000)				(140,000)
Transfers in - Capital Projects	76,765				76,765
Transfers out - General Fund			(76,765)		(76,765)
Total other financing sources and uses	<u>(63,235)</u>	<u>-</u>	<u>(76,765)</u>	<u>-</u>	<u>(140,000)</u>
Net change in fund balances	4,329,157	(184,700)	(13,676,367)	(664)	(9,532,574)
Fund balance—July 1	24,384,491		34,765,016	664	59,150,171
Prior period adjustments	<u>314,435</u>	<u>**** 754,295</u>	<u>*****</u>		<u>1,068,730</u>
Fund balance—July 1 (Restated)	<u>24,698,926</u>	<u>754,295</u>	<u>34,765,016</u>	<u>664</u>	<u>60,218,901</u>
Fund balance—June 30	<u><u>29,028,083</u></u>	<u><u>569,595</u></u>	<u><u>21,088,649</u></u>	<u><u>-</u></u>	<u><u>50,686,327</u></u>

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

- * Include interest earnings on the unemployment compensation bank account
- ** Special revenue fund now includes revenues from scholarships and student activities
- *** Special revenue fund now includes expenditures from scholarships and student activities
- **** Unemployment Fund Net Position as of June 30, 2020
- ***** Scholarship Fund and Student Activity Fund Net Position as of June 30, 2020

RAMSEY BOARD OF EDUCATION
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2021

Total net change in fund balances - governmental funds (from B-2)	(9,532,574)									
Amounts reported for governmental activities in the statement of activities (A-2) are different because:										
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.										
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"></td> <td style="width: 20%; text-align: right;">Depreciation expense</td> <td style="width: 20%; text-align: right;">(2,160,462)</td> </tr> <tr> <td style="text-align: right;">Non-depreciable capital outlay - Construction in Progress</td> <td></td> <td style="text-align: right;">11,482,053</td> </tr> <tr> <td style="text-align: right;">Depreciable outlays</td> <td></td> <td style="text-align: right; border-top: 1px solid black;">3,043,430</td> </tr> </table>		Depreciation expense	(2,160,462)	Non-depreciable capital outlay - Construction in Progress		11,482,053	Depreciable outlays		3,043,430	12,365,021
	Depreciation expense	(2,160,462)								
Non-depreciable capital outlay - Construction in Progress		11,482,053								
Depreciable outlays		3,043,430								
Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. In the current year, these amounts consist of:										
Serial bond obligations	2,535,000									
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The change in interest is an adjustment in the reconciliation.										
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Prior Year</td> <td style="width: 20%;"></td> <td style="width: 20%; text-align: right;">712,774</td> </tr> <tr> <td>Current Year</td> <td></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">(689,998)</td> </tr> </table>	Prior Year		712,774	Current Year		(689,998)	22,776			
Prior Year		712,774								
Current Year		(689,998)								
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).										
Decrease in compensated absences payable	26,660									
District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changed in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.										
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">District Pension Contributions</td> <td style="width: 20%;"></td> <td style="width: 20%; text-align: right;">956,045</td> </tr> <tr> <td>Less: Pension Expense</td> <td></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">(697,986)</td> </tr> </table>	District Pension Contributions		956,045	Less: Pension Expense		(697,986)	258,059			
District Pension Contributions		956,045								
Less: Pension Expense		(697,986)								
Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.										
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Increase in On-behalf State Aid TPAF Pension</td> <td style="width: 20%;"></td> <td style="width: 20%; text-align: right;">2,818,518</td> </tr> <tr> <td>Increase in On-behalf TPAF Pension Expense</td> <td></td> <td style="text-align: right;">(2,818,518)</td> </tr> </table>	Increase in On-behalf State Aid TPAF Pension		2,818,518	Increase in On-behalf TPAF Pension Expense		(2,818,518)				
Increase in On-behalf State Aid TPAF Pension		2,818,518								
Increase in On-behalf TPAF Pension Expense		(2,818,518)								
The governmental funds report the effect of bond premiums when debt is first issued. Whereas these amounts are deferred and amortized in the Statement of Activities (+)										
	139,091									
The governmental funds report the effect of issuance costs when debt is first issued. Whereas these amounts are deferred and amortized in the Statement of Activities (-)										
	(17,243)									
Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements										
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Increase in On-behalf State Aid TPAF Post Employment Medical Revenue</td> <td style="width: 20%;"></td> <td style="width: 20%; text-align: right;">9,540,477</td> </tr> <tr> <td>Increase in On-behalf State Aid TPAF Post Employment Medical Expense</td> <td></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">(9,540,477)</td> </tr> </table>	Increase in On-behalf State Aid TPAF Post Employment Medical Revenue		9,540,477	Increase in On-behalf State Aid TPAF Post Employment Medical Expense		(9,540,477)				
Increase in On-behalf State Aid TPAF Post Employment Medical Revenue		9,540,477								
Increase in On-behalf State Aid TPAF Post Employment Medical Expense		(9,540,477)								
Change in net position of governmental activities	5,796,790									

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

RAMSEY BOARD OF EDUCATION
Statement of Net Position
Proprietary Funds
June 30, 2021

	<u>Food Service Program</u>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	29,797
Accounts receivable:	
State	805
Federal	12,261
Interfund - General Fund	410
Inventories	5,489
Total current assets	<u>48,762</u>
Noncurrent assets:	
Capital assets:	
Equipment	484,073
Less accumulated depreciation	<u>(447,129)</u>
Total capital assets (net of accumulated depreciation)	<u>36,944</u>
Total assets	<u><u>85,706</u></u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	20,328
Prepaid revenue	<u>32,761</u>
Total current liabilities	<u>53,089</u>
<u>NET POSITION</u>	
Net investment in capital assets	36,944
Unrestricted	<u>(4,327)</u>
Total net position	<u><u>32,617</u></u>

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

RAMSEY BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2021

	Food Service Program
Operating revenues:	
Charges for services:	
Daily sales - non-reimbursable programs	7,700
Total operating revenues	7,700
Operating expenses:	
Cost of sales - reimbursable	87,294
Cost of sales - non-reimbursable	3,940
Salaries	75,453
Benefits	16,265
Supplies and materials	7,540
Purchased property services	67,626
Other expenses	5,335
Depreciation	6,683
Total operating expenses	270,136
Operating income (loss)	(262,436)
Nonoperating revenues (expenses):	
State sources:	
State school lunch program	3,814
Federal sources:	
National school lunch program	62,020
National breakfast program	17,957
Emergency Operational Cost Program - School	324
P-EBT Administrative Cost	614
Food distribution program	10,953
Miscellaneous - prior year void check	58
Insurance Reimbursements	6,760
Total nonoperating revenues (expenses)	102,500
Income (loss) before contributions & transfers	(159,936)
Other financing sources/(uses)	
Transfers in	140,000
Change in net position	(19,936)
Total net position—beginning	52,553
Total net position—ending	32,617

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

RAMSEY BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2021

	<u>Food Service Program</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	6,609
Payments to suppliers	(260,658)
Net cash provided by (used for) operating activities	<u>(254,049)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Local Sources	37,012
State Sources	3,077
Federal Sources	83,291
Board Contribution	140,000
Net cash provided by (used for) non-capital financing activities	<u>263,380</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Miscellaneous - prior year void check	58
Net cash provided by (used for) investing activities	<u>58</u>
Net increase (decrease) in cash and cash equivalents	9,389
Balances—beginning of year	20,408
Balances—end of year	<u><u>29,797</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	(262,436)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Depreciation and net amortization	6,683
Food Distribution Program	10,953
(Increase) decrease in inventories	15,504
Increase (decrease) in accounts payable	(23,661)
Increase (decrease) in prepaid revenue	(1,092)
Total adjustments	<u>8,387</u>
Net cash provided by (used for) operating activities	<u><u>(254,049)</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

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

A. Description of the School District and Reporting Entity:

The Board of Education ("Board") of the Borough of Ramsey School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Ramsey School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools, a middle school and a high school, located in the Borough of Ramsey. 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 Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation

The Board's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

District-wide Financial Statements

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

Fund Financial Statements

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

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

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

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Board's Enterprise Fund is comprised of the Food Service Fund.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

C. Measurement Focus

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Measurement Focus, (continued)

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

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

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

D. Basis of Accounting, (continued)

Revenues - Exchange and Non-exchange Transactions, (continued)

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

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

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgets/Budgetary Control

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

E. Budgets/Budgetary Control, (continued)

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

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

F. Encumbrances

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

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

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

G. Cash, Cash Equivalents and Investments

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

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

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

G. Cash, Cash Equivalents and Investments, (continued)

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

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

H. Tuition Revenues/Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

I. Inventories

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

K. Short-Term Interfund Receivables/Payables

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

L. Capital Assets

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value fo the asset or materially extend an asset’s life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

M. Compensated Absences

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

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

N. Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

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

O. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

P. Accounting and Financial Reporting for Pensions

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

P. Accounting and Financial Reporting for Pensions (continued)

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

Q. 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 two items that qualifies for reporting in this category, deferred amounts related to pension and deferred amounts relating to unaudited business costs.

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 two items that qualify in this category, deferred amounts related to pension and deferred amounts relating to unamortized bond premiums.

R. Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

R. Fund Balances, (continued)

- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

S. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

T. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

U. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

V. 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 that program. TPAF on-behalf contributions and changes in compensated absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

W. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

X. New Accounting Standards:

During fiscal year 2021, the District adopted the following GASB Statement:

GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus on the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify component units and postemployment benefit arrangements that are fiduciary activities.

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

X. New Accounting Standards, (continued)

GASB Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the end of a Construction*. The objectives of this Statement is to (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 91, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement is effective for reporting periods beginning after December 15, 2020. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 92, *Omnibus*. This Statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions. This Statement is effective for reporting periods beginning after December 15, 2020. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

X. New Accounting Standards, (continued)

GASB Statement No. 93, *Replacement of Interbank Offering Rates*. The objective of this Statement is to address certain issues with Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended, Statement No. 87, *Leases*, as amended and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this Statement are effective for fiscal years beginning after June 15, 2020. However; GASB Statement No. 95 postponed the implementation of this Statement by one year due to the COVID-19 pandemic.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2021, \$533 of the District's bank balance of \$54,539,660 was exposed to custodial credit risk.

Investments

Investment Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 3. RECEIVABLES

Receivables at June 30, 2021, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial Statements	Enterprise Fund	District Wide Financial Statements
State Aid	\$468,509	\$805	\$469,314
Federal Aid	26,016	12,261	38,277
Other	89,531		89,531
Interfunds	<u>879,370</u>	<u>410</u>	<u> </u>
Gross Receivables	1,463,426	13,476	597,122
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u>\$1,463,426</u>	<u>\$13,476</u>	<u>\$597,122</u>

NOTE 4. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at June 30, 2021, consist of the following:

\$879,314	Due to the General Fund from the Capital Projects Fund for interest earned on investments in the Capital Projects Fund.
410	Due to the Food Service Fund from the General Fund for subsidy reimbursements received but not turned over and Board share of expenses paid.
<u>\$879,724</u>	

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

Interfund transfers for the year ended June 30, 2021 consisted of the following:

<u>\$140,000</u>	Due from the General Fund to the Enterprise Fund to cover a deficit.
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**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

	<u>Balance</u> <u>6/30/20</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6/30/21</u>
Governmental Activities				
Capital Assets That Are Not Being Depreciated:				
Land	\$5,045,200	\$	\$	\$5,045,200
Construction in Progress	<u>1,409,442</u>	<u>11,482,053</u>	<u>(386,274)</u>	<u>12,505,221</u>
Total Capital Assets, Not Being Depreciated	<u>6,454,642</u>	<u>11,482,053</u>	<u>(386,274)</u>	<u>17,550,421</u>
Building and building improvements	66,258,658	1,916,752	386,274	68,561,684
Machinery and equipment	<u>11,198,605</u>	<u>1,126,678</u>	<u>(2,475)</u>	<u>12,322,808</u>
Totals at Historical Cost	<u>77,457,263</u>	<u>3,043,430</u>	<u>383,799</u>	<u>80,884,492</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(29,071,215)	(1,830,839)		(30,902,054)
Equipment	<u>(10,001,491)</u>	<u>(329,623)</u>	<u>2,475</u>	<u>(10,328,639)</u>
Total Accumulated Depreciation	<u>(39,072,706)</u>	<u>(2,160,462)</u>	<u>2,475</u>	<u>(41,230,693)</u>
Total Capital Assets, Being Depreciated, Net of Accumulated Depreciation	<u>38,384,557</u>	<u>882,968</u>	<u>386,274</u>	<u>39,653,799</u>
Governmental Activities Capital Assets, Net	<u>\$44,839,199</u>	<u>\$12,365,021</u>	<u>\$0</u>	<u>\$57,204,220</u>
	<u>Balance</u> <u>6/30/20</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6/30/21</u>
Business-Type Activity				
Equipment	\$484,073	\$	\$	\$484,073
Less Accumulated Depreciation For:				
Equipment	<u>(440,446)</u>	<u>(6,683)</u>	<u>_____</u>	<u>(447,129)</u>
Business-Type Activity Capital Assets, Net	<u>\$43,627</u>	<u>(\$6,683)</u>	<u>\$_____</u>	<u>\$36,944</u>

Depreciation expense was not allocated to governmental functions. It appears on the statement of activities as “unallocated depreciation”.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. LONG-TERM OBLIGATIONS

Advance and Current Refundings of Debt

On April 4, 2012, the District issued \$16,700,000 in School District Refunding Bonds having an interest rate of 2.00% to 5.00%. These bonds were issued in order to advance refund certain principal maturities and certain interest payments of various School District Bonds of the District. The total bond principal defeased was \$16,714,000 and the total interest payments defeased was \$1,271,630. The net proceeds of \$17,918,483 (after payment of underwriting fees, insurance and other insurance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. As a result, the advance of refunding met the requirements of an in-substance debt defeasance and the refunded bond liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$172,427. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued.

Changes in long-term obligations for the fiscal year ended June 30, 2021 are as follows:

	<u>Balance June 30, 2020</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2021</u>	<u>Amounts Due Within One Year</u>	<u>Long-term Portion</u>
Governmental Activities:						
Bonds payable:						
General obligation debt	\$49,055,000	\$	\$(2,535,000)	\$46,520,000	\$2,575,000	\$43,945,000
Total Bonds Payable	<u>49,055,000</u>	<u>0</u>	<u>(2,535,000)</u>	<u>46,520,000</u>	<u>2,575,000</u>	<u>43,945,000</u>
Other Liabilities:						
Compensated absences payable	1,233,050	99,185	(125,845)	1,206,390		1,206,390
Net Pension Liability PERS	<u>15,560,032</u>	<u></u>	<u>(1,308,375)</u>	<u>14,251,657</u>	<u></u>	<u>14,251,657</u>
Total other liabilities	<u>16,793,082</u>	<u>99,185</u>	<u>(1,434,220)</u>	<u>15,458,047</u>	<u></u>	<u>15,458,047</u>
Total Governmental Activities	<u>\$65,848,082</u>	<u>\$99,185</u>	<u>(\$3,969,220)</u>	<u>\$61,978,047</u>	<u>\$2,575,000</u>	<u>\$59,403,047</u>

A. Bonds Payable:

The Board issued General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the board are general obligation bonds.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 6. LONG-TERM OBLIGATIONS, (continued)

Outstanding bonds payable at June 30, 2021 consisted of the following:

<u>Issue</u>	<u>Amount Issued</u>	<u>Issue Date</u>	<u>Interest Rates</u>	<u>Date of Maturity</u>	<u>Principal Balance June 30, 2021</u>
Refunding School Bonds	\$16,700,000	4/4/12	2.0%-5.0%	1/15/24	\$4,685,000
School Improvement Bonds	\$37,092,000	2/14/19	3.00%-3.625%	1/15/44	36,240,000
School Improvement Bonds	\$5,823,000	2/26/20	1.50%-2.00%	1/15/35	<u>5,595,000</u>
					<u>\$46,520,000</u>

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$2,575,000	\$1,505,450	\$4,080,450
2023	2,635,000	1,415,513	4,050,513
2024	2,700,000	1,323,175	4,023,175
2025	2,150,000	1,210,925	3,360,925
2026	2,150,000	1,148,925	3,298,925
2027-2031	10,750,000	4,811,250	15,561,250
2032-2036	10,270,000	3,220,225	13,490,225
2037-2041	8,490,000	1,732,250	10,222,250
2042-2044	<u>4,800,000</u>	<u>342,000</u>	<u>5,142,000</u>
	<u>\$46,520,000</u>	<u>\$16,709,713</u>	<u>\$63,229,713</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2021 the Board has no authorized but not issued bonds.

C. Capital Leases:

The District had no capital leases outstanding at June 30, 2021.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 7. OPERATING LEASES

The District has commitments to lease certain office equipment under operating leases that expire in 2022. Total operating lease payments made during the year ended June 30, 2021 were \$43,697. Future minimum lease payments are as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2022	\$38,836
2023	31,731
2024	27,269
2025	15,015
2026	<u>1,060</u>
Total future minimum lease payments	<u>\$113,911</u>

NOTE 8. PENSION PLANS

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

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are 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 Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

The following represents the membership tiers for TPAF:

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

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

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

Benefits Provided

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

The following represents the membership tiers for PERS:

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

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

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

Defined Contribution Retirement Program

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

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

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

Contributions Requirements Fund Based Statements

The Board's contribution to PERS AND DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

Year	<u>PERS</u>	<u>DCRP</u>
<u>Ending</u> 6/30/21	\$956,045	\$16,639
6/30/20	839,989	34,869
6/30/19	853,026	43,337

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

<u>Year</u> <u>Ending</u>	<u>Pension</u> <u>Contributions</u>	<u>Post-Retirement</u> <u>Medical</u> <u>Contributions</u>	<u>NCGI</u> <u>Premium</u>	<u>Long-Term</u> <u>Disability</u> <u>Insurance</u>
6/30/21	\$6,988,952	\$2,231,901	\$132,974	\$2,472
6/30/20	5,324,660	2,010,758	95,439	2,748
6/30/19	4,661,446	2,158,685	97,576	3,085

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,950,432 during the year ended June 30, 2021 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2021, the District had a liability of \$14,251,657 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2020, the District's proportion was 0.0873938829 percent, which was an increase of 0.0010379350 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$697,986. At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$259,499	\$50,400
Changes of assumptions	462,340	5,967,304
Net difference between projected and actual earnings on pension plan investments	487,133	
Changes in proportion and differences between the District's contributions and proportionate share of contributions	520,804	197,287
District contributions subsequent to the measurement date	<u>1,000,313</u>	<u> </u>
Total	<u>\$2,730,089</u>	<u>\$6,214,991</u>

The \$1,000,313 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, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2021	(\$1,788,322)
2022	(1,630,406)
2023	(931,736)
2024	(376,778)
2025	(81,490)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.16, 5.21, 5.63, 5.48, 5.57, 5.72, and 6.44 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2020 and June 30, 2019 are as follows:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Collective deferred outflows of resources	\$2,347,583,337	\$3,149,522,616
Collective deferred inflows of resources	7,849,949,467	7,645,087,574
Collective net pension liability	16,435,616,426	18,018,482,972
District's Proportion	0.0873938829%	0.0863559479%

Actuarial Assumptions

The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% (based on years of service)
Thereafter	3.00-7.00% (based on years of service)
Investment Rate of Return	7.00 Percent

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Actuarial Assumptions, (continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. 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.

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non- Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement based on Scale MP-2020.

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, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

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

The following presents the collective net pension liability of the participating employers as of June 30, 2020 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:

	<u>June 30, 2020</u>		
	<u>1%</u> Decrease <u>6.00%</u>	<u>At Current</u> Discount Rate <u>7.00%</u>	<u>1%</u> Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$17,969,465	\$14,251,657	\$11,096,995

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 financial report may be accessed at www.state.nj.us/treasury/pensions.

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.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2021 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>159,854,666</u>
	<u><u>\$159,854,666</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2020. 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, 2020, the proportion of the TPAF net pension liability associated with the District was 0.2427601933%.

For the year ended June 30, 2021, the District recognized on-behalf pension expense and revenue of \$9,940,444 for contributions provided by the State in the District-Wide Financial Statements.

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.45% (based on years of service)
Thereafter	2.75%-5.65% (based on years of service)
Investment Rate of Return	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

on the Pub-2010 Teachers Above-Median Income Health Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with a future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 8. PENSION PLANS, (continued)

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE
STATEMENTS PER - GASB NO. 68, (continued)**

Discount Rate

The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 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 78% of the actuary 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 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062, 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.

NOTE 9. POST-RETIREMENT BENEFITS:

General Information about the OPEB Plan

Plan Description and Benefits Provided

The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provision of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. In Fiscal Year 2020, the State paid PRM benefits for 143,053 State and local retirees.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 9. POST-RETIREMENT BENEFITS, (continued)

The State funds post-retirement medical benefits on a “pay-as-you-go” basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2019, the State contributed \$1.908 billion to pay for “pay-as-you-go” PRM benefit costs incurred by covered retirees. The State’s “pay-as-you-go” contributions have remained consistent with Fiscal Year 2018 amounts. The Fiscal Year 2020 Appropriations Act includes \$1.612 billion as the State's contribution to fund “pay-as-you-go” PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2019 total State OPEB liability to provide these benefits is \$76.0 billion, a decrease of \$14.5 billion or 16 percent from the \$90.5 billion liability recorded in Fiscal Year 2018.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75.

Total OPEB Liability

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 and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level for the State Health Benefit Local Education Retired Employee's Plan and is not specific to the board of education/board of trustees, and could be found at <https://www.state.nj.us/treasury/pensions/GASBnoticesOPEBSHTML>.

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2021 was as follows:

OPEB Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>139,724,917</u>
	<u>\$139,724,917</u>

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 9. POST-RETIREMENT BENEFITS, (continued)

Actual Assumptions and Other Inputs

The total OPEB liability in the June 30, 2020 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. 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 rate	2.50%	
	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases:		
Through 2026	1.55 - 4.45% based on service years	2.00 - 6.00% based on service years
Thereafter	1.55 - 4.45% based on service years	3.00 - 7.00% based on service years

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP). “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018 and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 9. POST-RETIREMENT BENEFITS, (continued)

(a) *Health Care Trend Assumptions*

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

(b) *Discount Rate*

The discount rate for June 30, 2020 was 2.21%. 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. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate

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

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended June 30, 2021, the board of education/board of trustees recognized on-behalf OPEB expense of \$7,308,576 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Borough of Ramsey School District proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 10. DEFERRED COMPENSATION

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

AIM Fund Services	Equitable
Franklin Templeton	Lincoln
Lincoln Investment	Vanguard
Metropolitan Life	TIAA Creff
Paul Revere	Union Central Life
Valic	

NOTE 11. RISK MANAGEMENT

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

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

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balances for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest Earnings/ District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$554	\$55,685	\$25,702	\$344,972
2019-2020	2,672	58,001	30,081	314,435
2018-2019	2,390	54,291	40,441	283,843

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 12. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Borough of Ramsey Board of Education by inclusion of \$502,000 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP). A district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6A:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning balance, July 1, 2020	\$13,630,590
Increased by:	
Deposit Approved by Resolution - June 29, 2021	<u>4,400,000</u>
Ending balance, June 30, 2021	<u>\$18,030,590</u>

NOTE 13. FUND BALANCE APPROPRIATED

General Fund [Exhibit B-1] - Of the \$29,028,083 General Fund fund balance at June 30, 2021, \$4,832,646 is reserved as excess surplus in accordance with *N.J.S.A. 18A:7F-7* (\$2,432,499 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2022); \$18,030,590 has been reserved in the Capital Reserve Account; \$3,474,920 is reserved for encumbrances; \$314,989 is reserved for Unemployment compensation; and \$2,374,938 is unreserved and undesignated.

Special Revenue Fund - Of the \$569,595 Special Revenue Fund fund balance at June 30, 2021, \$544,000 is reserved for Student Groups; and \$25,595 is reserved for Scholarships.

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 14. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701) the designation for Reserved Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 is \$4,832,646. Of this amount, \$2,400,147 is the result of current year operations.

NOTE 15. INVENTORY

Inventory in the Food Service Fund at June 30, 2021 consisted of the following:

Food	\$1,972
Supplies	<u>3,517</u>
	<u>\$5,489</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

NOTE 16. RESTATEMENT

Net position for June 30, 2020 was restated to reflect the reclassification of the Unemployment Trust Fund net position from the Fiduciary Fund to the General Fund, the reclassification of the Scholarship net position from the Fiduciary Fund to the Special Revenue Fund and the reclassification of the Student Activity Fund to the Special Revenue Fund as per Governmental Accounting Standards Board ("GASB") number 84. This resulted in restatement of net position and/or fund balance as of June 30, 2020 as follows:

	<u>Governmental Activities</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>
Net Position/Fund Balance at June 30, 2020	\$33,802,469	\$24,384,491	\$340,238
Prior Period Adjustment for Implementation of GASB #84	<u>1,068,730</u>	<u>314,435</u>	<u>(340,238)</u>
Net Position/Fund Balance at June 30, 2020 - Restated	<u>\$34,871,199</u>	<u>\$24,698,926</u>	<u>\$0</u>

**Borough of Ramsey School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2021**

NOTE 17. CONTINGENT LIABILITIES

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

Litigation - The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

NOTE 18. OTHER MATTERS

On March 9, 2020, Governor Phil Murphy signed Executive Order No. 103 that declared a State of Emergency and Public Health Emergency across all 21 counties in New Jersey in response to address the novel coronavirus (COVID-19) outbreak. The Board has identified several risks as a result of this pandemic, including a possible delay in collection of District taxes and cash flow shortages as the result of these delayed collections. During the year, the District has received grants from the federal government for increase expenditures related to the COVID-19 pandemic. The Board will continue to monitor the situation closely.

NOTE 19. SUBSEQUENT EVENTS

The District has evaluated subsequent events through February 1, 2022, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

Exhibit C-1

RAMSEY BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2021

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
General Fund:					
Revenues from Local Sources:					
Local Tax Levy	59,021,889		59,021,889	59,021,889	
Tuition	36,082		36,082	105,934	69,852
Tuition from Other LEAs Within the State	1,070,460		1,070,460	1,334,249	263,789
Transportation Fees from Individuals	20,000		20,000	12,545	(7,455)
Interest Earned on Capital Reserve Funds	25,000		25,000		(25,000)
Other Restricted Miscellaneous Revenues	13,798		13,798	554 *	(13,244)
Unrestricted Miscellaneous Revenues	43,001		43,001	213,714	170,713
Total - Local Sources	<u>60,230,230</u>		<u>60,230,230</u>	<u>60,688,885</u>	<u>458,655</u>
Revenues from State Sources:					
Categorical Special Education Aid	1,638,200		1,638,200	1,453,970	(184,230)
Categorical Security Aid	96,206		96,206	96,206	
Categorical Transportation Aid	309,420		309,420	309,420	
Extraordinary Aid	250,000		250,000	431,472	181,472
NTE Homeless Reimbursement				24,418	24,418
Other Restricted State Aid				12,619	12,619
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				2,231,901	2,231,901
On-behalf TPAF Pension (non-budgeted)				6,988,952	6,988,952
On-behalf TPAF NCGI Premium (non-budgeted)				132,974	132,974
On-behalf TPAD LTDI				2,472	2,472
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,950,432	1,950,432
Total - State Sources	<u>2,293,826</u>		<u>2,293,826</u>	<u>13,634,836</u>	<u>11,341,010</u>
Revenues from Federal Sources:					
Special Education Medicaid Initiative	26,202		26,202	25,387	(815)
Medicaid Administrative Claiming (MAC)				1,645	1,645
FFRCA-SEMI				4,285	4,285
Total - Federal Sources	<u>26,202</u>		<u>26,202</u>	<u>31,317</u>	<u>5,115</u>
TOTAL REVENUES	<u>62,550,258</u>		<u>62,550,258</u>	<u>74,355,038</u>	<u>11,804,780</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	581,537	(100,113)	481,424	478,858	2,566
Grades 1-5 - Salaries of Teachers	7,184,192	(680,994)	6,503,198	6,318,585	184,613
Grades 6-8 - Salaries of Teachers	5,520,856	(190,895)	5,329,961	5,134,320	195,641
Grades 9-12 - Salaries of Teachers	7,481,002	(283,664)	7,197,338	6,785,047	412,291
Regular Programs - Home Instruction:					
Salaries of Teachers	70,000		70,000	28,003	41,997
Purchased Professional-Educational Services	8,330	(5,000)	3,330	860	2,470
Regular Programs - Undistributed Instruction					
Purchased Professional-Educational Services	208,263	(2,130)	206,133	132,769	73,364
Other Purchased Services (400-500 series)	35,734	(5,180)	30,554	10,958	19,596
General Supplies	1,718,552	351,907	2,070,459	1,322,882	747,577
Textbooks	891,504	70,896	962,400	919,039	43,361
Other Objects	4,704	209,540	214,244	212,163	2,081
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>23,704,674</u>	<u>(635,633)</u>	<u>23,069,041</u>	<u>21,343,484</u>	<u>1,725,557</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	950,269	191,715	1,141,984	1,112,502	29,482
Other Salaries for Instruction	1,247,556	186,279	1,433,835	1,403,434	30,401
General Supplies	9,042	(694)	8,348	6,027	2,321
Total Learning and/or Language Disabilities	<u>2,206,867</u>	<u>377,300</u>	<u>2,584,167</u>	<u>2,521,963</u>	<u>62,204</u>
Behavioral Disabilities					
Salaries of Teachers	121,825	(66,175)	55,650	1,071	54,579
Total Behavioral Disabilities	<u>121,825</u>	<u>(66,175)</u>	<u>55,650</u>	<u>1,071</u>	<u>54,579</u>
Multiple Disabilities					
Salaries of Teachers	371,699	7,100	378,799	298,936	79,863
Other Salaries for Instruction	275,398	(20,080)	255,318	189,710	65,608
General Supplies	5,548		5,548	3,498	2,050
Total Multiple Disabilities	<u>652,645</u>	<u>(12,980)</u>	<u>639,665</u>	<u>492,144</u>	<u>147,521</u>
Resource Room/Resource Center:					
Salaries of Teachers	1,792,538	50,000	1,842,538	1,759,290	83,248
Other Salaries for Instruction	40,200	12,000	52,200	52,127	73
General Supplies	21,704		21,704	11,751	9,953
Textbooks	1,525		1,525		1,525
Total Resource Room/Resource Center	<u>1,855,967</u>	<u>62,000</u>	<u>1,917,967</u>	<u>1,823,168</u>	<u>94,799</u>
Preschool Disabilities - Part-Time:					
General Supplies	1,020	300	1,320	1,093	227
Total Preschool Disabilities - Part Time	<u>1,020</u>	<u>300</u>	<u>1,320</u>	<u>1,093</u>	<u>227</u>

Exhibit C-1

RAMSEY BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2021

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Preschool Disabilities- Full-Time:					
Salaries of Teachers	112,530		112,530	58,860	53,670
Other Salaries for Instruction	477,088	(127,774)	349,314	231,157	118,157
General Supplies	3,161	600	3,761	3,656	105
Total Preschool Disabilities - Full-Time	<u>592,779</u>	<u>(127,174)</u>	<u>465,605</u>	<u>293,673</u>	<u>171,932</u>
Home Instruction:					
Professional Svcs-Educational Services	534	7,096	7,630	6,826	804
Total Home Instruction	<u>534</u>	<u>7,096</u>	<u>7,630</u>	<u>6,826</u>	<u>804</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>5,431,637</u>	<u>240,367</u>	<u>5,672,004</u>	<u>5,139,938</u>	<u>532,066</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	442,986	(130,000)	312,986	278,351	34,635
Other Salaries for Instruction	132,374	98,600	230,974	228,273	2,701
General Supplies	3,424		3,424	3,173	251
Total Basic Skills/Remedial - Instruction	<u>578,784</u>	<u>(31,400)</u>	<u>547,384</u>	<u>509,797</u>	<u>37,587</u>
Bilingual Education - Instruction					
Salaries of Teachers	156,665		156,665	136,856	19,809
General Supplies	3,924		3,924	1,856	2,068
Textbooks	2,400		2,400	669	1,731
Total Bilingual Education - Instruction	<u>162,989</u>		<u>162,989</u>	<u>139,381</u>	<u>23,608</u>
School-Sponsored Co/Extra Curricular Activities - Instruction					
Salaries	342,548	(103,289)	239,259	163,675	75,584
Purchased Services (300-500 series)	27,000	(14,282)	12,718	2,218	10,500
Supplies and Materials	27,407	(5,611)	21,796	16,247	5,549
Other Objects	14,160	(11,000)	3,160	2,841	319
Total School-Sponsored Co/Extra Curricular Activities - Instruction	<u>411,115</u>	<u>(134,182)</u>	<u>276,933</u>	<u>184,981</u>	<u>91,952</u>
School-Sponsored Athletics - Instruction					
Salaries	821,137	81,010	902,147	847,310	54,837
Purchased Services (300-500 series)	148,207	6,950	155,157	120,172	34,985
Supplies and Materials	70,682	37,240	107,922	75,521	32,401
Other Objects	27,800	(3,562)	24,238	20,079	4,159
Total School-Sponsored Athletics - Instruction	<u>1,067,826</u>	<u>121,638</u>	<u>1,189,464</u>	<u>1,063,082</u>	<u>126,382</u>
TOTAL INSTRUCTION	<u>31,357,025</u>	<u>(439,210)</u>	<u>30,917,815</u>	<u>28,380,663</u>	<u>2,537,152</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Special	481,138	(65,368)	415,770	324,083	91,687
Tuition to County Voc. School Dist. - Regular	310,000		310,000	265,210	44,790
Tuition to CSSD & Regional Day Schools	407,660	(37,332)	370,328	268,983	101,345
Tuition to Private Schools for the Disabled Within State	2,042,007	(165,795)	1,876,212	1,643,725	232,487
Tuition to Private School Disabled & Other LEAs - Spl, O/S State	90,000	3,333	93,333	93,333	
Total Undistributed Expenditures - Instruction:	<u>3,330,805</u>	<u>(265,162)</u>	<u>3,065,643</u>	<u>2,595,334</u>	<u>470,309</u>
Undistributed Expend. - Attend. & Social Work					
Salaries	51,998	(462)	51,536	51,535	1
Total Undistributed Expend. - Attend. & Social Work	<u>51,998</u>	<u>(462)</u>	<u>51,536</u>	<u>51,535</u>	<u>1</u>
Undist. Expend. - Health Services					
Salaries	460,799	(19,684)	441,115	414,244	26,871
Other Purchased Services (400-500 Series)	300	53	353	263	90
Supplies and Materials	41,378	(1,309)	40,069	35,037	5,032
Other Objects	245		245	245	
Total Undistributed Expenditures - Health Services	<u>502,722</u>	<u>(20,940)</u>	<u>481,782</u>	<u>449,544</u>	<u>32,238</u>
Undist. Expend. - Speech, OT, PT & Related Services					
Salaries	778,001	129,271	907,272	896,412	10,860
Supplies and Materials	2,858	(635)	2,223	1,871	352
Total Undist. Expend. - Speech, OT, PT & Related Services	<u>780,859</u>	<u>128,636</u>	<u>909,495</u>	<u>898,283</u>	<u>11,212</u>
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.					
Salaries	361,564		361,564	265,557	96,007
Purchased Professional - Educational Services	630,669		630,669	405,949	224,720
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.	<u>992,233</u>		<u>992,233</u>	<u>671,506</u>	<u>320,727</u>
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	1,283,477	17,768	1,301,245	1,301,244	1
Salaries of Secretarial and Clerical Assistants	217,573	30,022	247,595	247,595	
Other Purchased Professional and Technical Services	340,629	(63,917)	276,712	275,387	1,325
Other Purchased Services (400-500 Series)	6,451		6,451	1,091	5,360
Supplies and Materials	19,923	(2,290)	17,633	10,493	7,140
Other Objects	2,495		2,495	1,662	833
Total Undist. Expend. - Guidance	<u>1,870,548</u>	<u>(18,417)</u>	<u>1,852,131</u>	<u>1,837,472</u>	<u>14,659</u>

Exhibit C-1

RAMSEY BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2021

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	1,503,991	(354,815)	1,149,176	1,148,193	983
Salaries of Secretarial and Clerical Assistants	151,256	9,813	161,069	161,069	
Other Purchased Professional and Technical Services	114,585	(66,448)	48,137	29,337	18,800
Misc. Pur Services (400-500 Series)	39,146	(2,612)	36,534	7,031	29,503
Supplies and Materials	82,732	(9,156)	73,576	54,213	19,363
Other Objects	4,775	880	5,655	5,655	
Total Undist. Expend. - Child Study Teams	1,896,485	(422,338)	1,474,147	1,405,498	68,649
Undist. Expend. - Improvement of Instructional Services					
Salaries of Supervisors of Instruction	168,321	3,999	172,320	172,320	
Salaries of Other Professional Staff	120,000	14,406	134,406	134,068	338
Other Purch Prof. and Tech. Services	47,280	(13,680)	33,600	30,475	3,125
Supplies and Materials	24,903	30,455	55,358	54,142	1,216
Total Undist. Expend. - Improvement of Inst. Services	360,504	35,180	395,684	391,005	4,679
Undist. Expend. - Educational Media Serv./Sch. Library					
Salaries	803,447	(34,446)	769,001	674,175	94,826
Salaries of Technology Coordinators	143,265		143,265	143,264	1
Other Purchased Services (400-500)	80,101	12,024	92,125	68,980	23,145
Supplies and Materials	1,099,626	426,604	1,526,230	812,363	713,867
Other Objects	3,415	16	3,431	3,144	287
Total Undist. Expend. - Educational Media Serv./Sch. Library	2,129,854	404,198	2,534,052	1,701,926	832,126
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	103,044	(13,530)	89,514	86,004	3,510
Other Purchased Services (400-500 Series)	38,477	24,132	62,609	51,636	10,973
Supplies and Materials	101,110	85,482	186,592	173,612	12,980
Other Objects	9,959	(1,306)	8,653	8,564	89
Total Undist. Expend. - Instructional Staff Training Serv.	252,590	94,778	347,368	319,816	27,552
Undist. Expend. - Supp. Serv. - General Administration					
Salaries	539,782	(4,241)	535,541	523,268	12,273
Legal Services	115,679	597	116,276	53,825	62,451
Audit Fees	32,000	(130)	31,870	31,500	370
Architectural/Engineering Services	172,428	355,632	528,060	284,527	243,533
Other Purchased Professional Services	166,000	(113,028)	52,972	52,868	104
Purchased Technical Services	24,326	(4,005)	20,321	13,620	6,701
Communications/Telephone	393,315	(6,000)	387,315	267,883	119,432
BOE Other Purchased Services	3,500	(2,600)	900	514	386
Other Purch Services (400-500 Series)	308,261	(24,266)	283,995	269,494	14,501
General Supplies	68,314	(52,030)	16,284	14,452	1,832
Judgements Against The School District	25,000	(25,000)			
Misc. Expenditures	15,000	686	15,686	11,568	4,118
BOE Membership Dues and Fees	25,000	(425)	24,575	22,833	1,742
Total Undist. Expend. - Supp. Serv. - General Administration	1,888,605	125,190	2,013,795	1,546,352	467,443
Undist. Expend. - Support Serv. - School Administration					
Salaries of Principals/Assistant Principals	1,062,385	19,080	1,081,465	1,081,069	396
Salaries of Secretarial and Clerical Assistants	695,343		695,343	656,529	38,814
Other Purchased Services (400-500 series)	67,268	18,514	85,782	67,785	17,997
Supplies and Materials	126,096	57,597	183,693	175,725	7,968
Other Objects	10,518		10,518	8,768	1,750
Total Undist. Expend. - Support Serv. - School Administration	1,961,610	95,191	2,056,801	1,989,876	66,925
Undist. Expend. - Central Services					
Salaries	429,399	23,831	453,230	453,229	1
Purchased Professional Services	15,125		15,125	11,950	3,175
Misc. Pur Services (400-500 Series)	24,700	(8,000)	16,700	3,871	12,829
Supplies and Materials	25,315	(7,258)	18,057	15,001	3,056
Miscellaneous Expenditures	2,000		2,000	1,680	320
Total Undist. Expend. - Central Services	496,539	8,573	505,112	485,731	19,381
Undist. Expend. - Admin Info. Technology					
Information Technology					
Purchased Technical Services	30,000	7,257	37,257	36,037	1,220
Total Undist. Expend. - Support Serv. - Administrative	30,000	7,257	37,257	36,037	1,220
Undist. Expend. - Required Maint. for School Facilities (261)					
Salaries	449,674	(92,645)	357,029	352,917	4,112
Cleaning, Repair and Maintenance Services	574,833	(202,265)	372,568	257,674	114,894
General Supplies	81,660	42,161	123,821	69,782	54,039
Total Undist. Expend. - Required Maint. for School Facilities	1,106,167	(252,749)	853,418	680,373	173,045

Exhibit C-1

RAMSEY BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2021

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Custodial Services (262)					
Salaries	1,672,000	(152,137)	1,519,863	1,495,962	23,901
Salaries of Non-Instructional Aides	237,500	9,283	246,783	229,327	17,456
Cleaning, Repair and Maintenance Services	366,540	55,762	422,302	220,663	201,639
Rental of Land & Bldg. Oth. Than Lease Purch Agreement	3,000		3,000	3,000	
Other Purchased Property Services	104,943	(32,046)	72,897	61,831	11,066
Insurance	425,000	35,600	460,600	460,598	2
Miscellaneous Purchased Services	12,210	6,265	18,475	8,763	9,712
General Supplies	801,608	580,486	1,382,094	643,367	738,727
Energy (Natural Gas)	375,364	23,008	398,372	301,768	96,604
Energy (Electricity)	538,972	17,035	556,007	496,606	59,401
Other Objects	60,423	(25,949)	34,474	29,199	5,275
Total Undist. Expend. - Custodial Services	4,597,560	517,307	5,114,867	3,951,084	1,163,783
Undist. Expend. - Care and Upkeep of Grounds (263)					
Salaries	110,086	26,736	136,822	130,279	6,543
Cleaning, Repair and Maintenance Services	187,566	21,501	209,067	178,788	30,279
General Supplies	124,979	58,341	183,320	90,276	93,044
Total Undist. Expend. - Care and Upkeep of Grounds	422,631	106,578	529,209	399,343	129,866
Undist. Expend. - Security (266)					
Salaries	205,613		205,613	187,161	18,452
Purchased Professional and Technical Services	12,810	2,000	14,810	11,626	3,184
Cleaning, Repair and Maintenance Services	383,545	(2,843)	380,702	325,825	54,877
General Supplies		4,813	4,813	2,548	2,265
Total Undist. Expend. - Security	601,968	3,970	605,938	527,160	78,778
Undist. Expend. - Student Transportation Services (270)					
Salaries for Pupil Trans (Bet Home & Sch) - Sp Ed	237,985	20,032	258,017	258,017	
Salaries for Pupil Trans (Other than Bet. Home & Sch.)		10,791	10,791	10,791	
Cleaning, Repair and Maintenance Services	25,000	(17,159)	7,841	4,879	2,962
Contract Services - Aid in Lieu Pymts - NonPub Sch.	65,000	(20,032)	44,968	19,125	25,843
Contract Services (Between Home & School)-Vendors	485,000		485,000	344,814	140,186
Contract Services (Other than Between Home & School)-Vendors	136,250	(9,700)	126,550	42,055	84,495
Contract Services (Sp. Ed. Students)-Vendors	1,007,486	41,773	1,049,259	961,629	87,630
Misc. Purchased Services - Transportation	2,800		2,800	900	1,900
Transportation Supplies	41,586	(25,359)	16,227	13,630	2,597
Total Undist. Expend. - Student Transportation Services	2,001,107	346	2,001,453	1,655,840	345,613
UNALLOCATED BENEFITS (291)					
Social Security Contributions	1,175,000	(291,671)	883,329	697,393	185,936
Other Retirement Contributions-PERS	1,020,300	(35,600)	984,700	972,685	12,015
Workmen's Compensation	285,000	(101,776)	183,224	160,362	22,862
Health Benefits	9,657,301	(281,378)	9,375,923	6,296,486	3,079,437
Tuition Reimbursement	150,000		150,000	85,772	64,228
Other Employee Benefits	115,000	(21,103)	93,897	93,897	
Unused Sick Payment to Terminated/Retired Staff	75,000	50,000	125,000	93,470	31,530
TOTAL UNALLOCATED BENEFITS	12,477,601	(681,528)	11,796,073	8,306,168	3,489,905
On-behalf TPAF Post Retirement Medical (non-budgeted)				2,231,901	(2,231,901)
On-behalf TPAF Pension (non-budgeted)				6,988,952	(6,988,952)
On-behalf TPAF NCGI Premium (non-budgeted)				132,974	(132,974)
On-behalf TPAF LTDI				2,472	(2,472)
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,950,432	(1,950,432)
TOTAL ON-BEHALF CONTRIBUTIONS				11,306,731	(11,306,731)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	12,477,601	(681,528)	11,796,073	19,612,899	(7,816,826)
TOTAL UNDISTRIBUTED EXPENDITURES	37,752,386	(134,392)	37,617,994	41,206,614	(3,588,620)
TOTAL GENERAL CURRENT EXPENSE	69,109,411	(573,602)	68,535,809	69,587,277	(1,051,468)
CAPITAL OUTLAY					
Equipment					
School-Sponsored and Other Intructional Programs	429,163	174,444	603,607	11,820	591,787
Total Equipment	429,163	174,444	603,607	11,820	591,787
Undistributed					
Support Services - Child Study Teams	5,000		5,000		5,000
Custodial Services	13,700		13,700		13,700
School Buses-Reg.	106,442	73,398	179,840	106,442	73,398
Total Equipment	125,142	73,398	198,540	106,442	92,098
Facilities Acquisition and Construction Services					
Construction Services	121,620	235,760	357,380	240,152	117,228
Assessment for Debt Service on SDA Funding	8,551		8,551	8,551	
Total Facilities Acquisition and Construction Services	130,171	235,760	365,931	248,703	117,228
TOTAL CAPITAL OUTLAY	684,476	483,602	1,168,078	366,965	801,113

Exhibit C-1

RAMSEY BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2021

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
TOTAL EXPENDITURES	69,793,887	(90,000)	69,703,887	69,954,242	(250,355)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,243,629)	90,000	(7,153,629)	4,400,796	11,554,425
Other Financing Sources/(Uses):					
Operating Transfers Out:					
Transfers to Cover Deficit (Enterprise Fund)	(50,000)	(90,000)	(140,000)	(140,000)	
Operating Transfer In				76,765	76,765
Capital Projects					
Total Other Financing Sources/(Uses):	(50,000)	(90,000)	(140,000)	(63,235)	76,765
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(7,293,629)		(7,293,629)	4,337,561	11,631,190
Fund Balance, July 1	24,541,140		24,541,140	24,541,140	
Prior Period Adjustment				314,435 **	
Fund Balance, July 1 (Restated)	24,541,140		24,541,140	24,855,575	
Fund Balance, June 30	17,247,511		17,247,511	29,193,136	11,631,190
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures Adjustment for Prior Year Encumbrances	(4,900,110)		(4,900,110)	(4,900,110)	
Increase in Capital Reserve:					
Principal				4,400,000	4,400,000
Interest Deposit to Capital Reserve	25,000		25,000	(25,000)	(25,000)
Budgeted Fund Balance	(2,418,519)		(2,418,519)	4,837,671	7,256,190
	(7,293,629)		(7,293,629)	4,337,561	11,631,190
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus - Current Year				2,400,147	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures				2,432,499	
Capital Reserve				18,030,590	
Unemployment Compensation				314,989	
Committed Fund Balance:					
Year-end Encumbrances				3,474,920	
Unassigned Fund Balance				2,539,991	
Total Fund Balance per Governmental Funds (Budgetary)				29,193,136	
Recapitulation to Governmental Fund Statement (GAAP):					
Less: Last State Aid Payment not Recognized GAAP Basis				165,053	
Total Fund Balance per Governmental Funds (GAAP)				29,028,083	

* Include interest earnings on the unemployment compensation bank account

** Represents Unemployment Fund Net Position as of June 30, 2020

RAMSEY BOARD OF EDUCATION
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2021

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		-		1,142,954	1,142,954
State Sources	313,981	268,911	582,892	502,141	(80,751)
Federal Sources	753,449	553,425	1,306,874	1,025,135	(281,739)
Total Revenues	<u>1,067,430</u>	<u>822,336</u>	<u>1,889,766</u>	<u>2,670,230</u>	<u>780,464</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	20,213	32,922	53,135	39,677	13,458
Other Salaries for Instruction	25,902	6,497	32,399	32,399	-
Other Purchased Services (400-500 series)	521,009	(68,834)	452,175	452,175	-
General Supplies	44,556	245,988	290,544	288,925	1,619
Textbooks	36,531	21,933	58,464	38,503	19,961
Total instruction	<u>648,211</u>	<u>238,506</u>	<u>886,717</u>	<u>851,679</u>	<u>35,038</u>
Support services:					
Salaries of Supervisors of Instruction		5,417	5,417	765	4,652
Salaries of Program Directors		1,941	1,941	-	1,941
Personal Services - Employee Benefits	6,513	(1,885)	4,628	3,094	1,534
Purchased Professional - Educational Services	370,306	422,734	793,040	475,751	317,289
General Supplies	42,400	155,623	198,023	195,987	2,036
Scholarships Awarded				2,200	(2,200)
Student Activity Disbursements				1,325,454	(1,325,454)
Total support services	<u>419,219</u>	<u>583,830</u>	<u>1,003,049</u>	<u>2,003,251</u>	<u>(1,000,202)</u>
Total Expenditures	<u>1,067,430</u>	<u>822,336</u>	<u>1,889,766</u>	<u>2,854,930</u>	<u>(965,164)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(184,700)</u>	<u>(184,700)</u>
Fund Balance, July 1					
Prior Period Adjustment				754,295	
Fund Balance, July 1 (Restated)				754,295	
Fund Balance, June 30				<u>569,595</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 25,595	
Student Activities				<u>544,000</u>	
Total Fund Balance				<u>\$ 569,595</u>	

note 1 Not required to budget for student activity or scholarship funds

RAMSEY BOARD OF EDUCATION
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information - Part II
Fiscal Year Ended June 30, 2021

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

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	74,354,484	2,670,230
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Prior Year			297,437
Current Year			(159,411)
The last state aid payment is recognized for GAAP Statements in the current year, previously recognized for budgetary purposes		156,649	
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		(165,053)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	74,346,080	2,808,256
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	69,954,242	2,854,930
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.			
Prior Year			297,437
Current Year			(159,411)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	69,954,242	2,992,956

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

RAMSEY BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - PERS
*Last 10 Fiscal Years**

Fiscal Year 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 Payroll - PERS Employee's	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0777475999%	\$ 14,556,477	\$ 5,608,577	259.54%	47.92%
2016	0.0806100224%	18,095,335	5,980,007	302.60%	94.63%
2017	0.0848721434%	25,136,695	5,926,963	424.11%	100.77%
2018	0.0876315801%	20,399,231	6,128,533	332.86%	90.77%
2019	0.0857591000%	16,885,540	6,213,586	271.75%	83.06%
2020	0.0863559479%	15,560,032	6,298,217	247.05%	78.30%
2021	0.0873938829%	14,251,657	6,103,285	233.51%	73.38%

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

RAMSEY BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Contributions - PERS
*Last 10 Fiscal Years**

Fiscal Year Ending June 30,	Contractually Required Contribution		Contributions in Relations to the Contractually Required Contributions		Contribution Deficiency (Excess)	District's PERS Covered-Employee Payroll	Contributions as a Percentage of PERS Covered-Employee Payroll
	Contractually Required Contribution	Contractually Required Contributions	Contractually Required Contributions	Contractually Required Contributions			
2015	\$ 640,940	\$ (640,940)	\$ -	\$ -	\$ 5,608,577	11.43%	
2016	\$ 693,030	\$ (693,030)	\$ -	\$ -	\$ 5,980,007	11.59%	
2017	\$ 753,992	\$ (753,992)	\$ -	\$ -	\$ 5,926,963	12.72%	
2018	\$ 811,813	\$ (811,813)	\$ -	\$ -	\$ 6,128,533	13.25%	
2019	\$ 853,026	\$ (853,026)	\$ -	\$ -	\$ 6,213,586	13.73%	
2020	\$ 839,989	\$ (839,989)	\$ -	\$ -	\$ 6,298,217	13.34%	
2021	\$ 956,045	\$ (956,045)	\$ -	\$ -	\$ 6,103,285	15.66%	

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

RAMSEY BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - TPAF
*Last 10 Fiscal Years**

Fiscal Year Ending June 30,	District's	District's	State's	District's Covered	District's	Plan Fiduciary
	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Share of the Net Pension Liability Associated with the District (Asset)	Payroll - TPAF Employee's	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Net Position as a Percentage of the Total Pension Liability
2015	0.2389734233%	\$ -	\$ 127,723,517	\$ 25,046,127	0.00%	33.64%
2016	0.2428812621%	-	153,511,329	25,132,890	0.00%	28.71%
2017	0.2436970485%	-	191,699,748	25,168,865	0.00%	22.33%
2018	0.2453786717%	-	165,443,148	26,134,251	0.00%	25.41%
2019	0.2392885746%	-	152,230,251	26,522,843	0.00%	26.49%
2020	0.2370116674%	-	145,456,297	27,162,315	0.00%	26.95%
2021	0.2427601933%	-	159,854,666	27,218,919	0.00%	24.60%

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

RAMSEY BOARD OF EDUCATION
Note to Required Schedules of Supplementary Information - Part III
Fiscal Year Ended June 30, 2021

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (3.50%) to the current measurement date (2.21%), resulting in a change in the discount rate from 6.28% to 7.00%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (3.50%) to the current measurement date (2.21%), resulting in a change in the discount rate from 5.60% to 5.40%. This change in the discount rate is considered to be a change in actuarial assumptions under GASBS No. 68.

RAMSEY BOARD OF EDUCATION
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
*Last 10 Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Costs	\$ 3,787,164	\$ 3,754,599	\$ 4,188,191	\$ 5,053,029
Interest on Total OPEB Liability	3,096,831	3,755,563	3,967,017	3,418,761
Difference between Expected and Actual Expenditures	23,813,790	(14,924,870)	(8,140,618)	
Changes in Assumptions	25,522,941	1,280,224	(10,850,665)	(14,331,916)
Gross Benefit Payments	(2,432,496)	(2,635,737)	(2,528,368)	(2,497,620)
Contribution from the Member	<u>73,729</u>	<u>78,131</u>	<u>87,384</u>	<u>91,969</u>
Net Changes in total Share of OPEB Liability	53,861,959	(8,692,090)	(13,277,059)	(8,265,777)
Total OPEB Liability - Beginning	85,862,958	94,555,048	107,832,107	116,097,884
Total OPEB Liability - Ending	<u>\$ 139,724,917</u>	<u>\$ 85,862,958</u>	<u>\$ 94,555,048</u>	<u>\$ 107,832,107</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>139,724,917</u>	<u>85,862,958</u>	<u>94,555,048</u>	<u>107,832,107</u>
Total OPEB Liability - Ending	<u>\$ 139,724,917</u>	<u>\$ 85,862,958</u>	<u>\$ 94,555,048</u>	<u>\$ 107,832,107</u>
District's Covered Employee Payroll	<u>\$ -</u>	<u>\$ 33,460,532</u>	<u>\$ 32,820,227</u>	<u>\$ 32,262,784</u>
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Change in benefit terms None

Change in assumptions Assumptions used in calculating the OPEB liability are presented
in Note 8.

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Supplementary Schedules

SPECIAL REVENUE FUND

RAMSEY BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2021

	Total Brought Forward (Ex. E-1a)	I.D.E.A Part B		Title I, Part A	Title II, Part A Teacher & Principal Training & Recruiting	Title III	Totals 2021
		Basic	Preschool				
REVENUES							
Local Sources	1,142,954						1,142,954
State Sources	502,141						502,141
Federal Sources	228,587	652,617	32,399	77,520	22,424	11,588	1,025,135
Total Revenues	1,873,682	652,617	32,399	77,520	22,424	11,588	2,670,230
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-			37,934		1,743	39,677
Other Salaries for Instruction	-		32,399				32,399
Other Purchased Services (400-500 series)	-	452,175					452,175
General Supplies	198,974	48,105		34,134		7,712	288,925
Textbooks	38,503						38,503
Total instruction	237,477	500,280	32,399	72,068	-	9,455	851,679
Support services:							
Salaries of Supervisors of Instruction	-				765		765
Personal Services - Employee Benefits	-			2,902	59	133	3,094
Purchased Professional - Educational Services	297,264	152,337		2,550	21,600	2,000	475,751
General Supplies	195,987						195,987
Scholarships Awarded	2,200						2,200
Student Activities	1,325,454						1,325,454
Total support services	1,820,905	152,337	-	5,452	22,424	2,133	2,003,251
Total Expenditures	2,058,382	652,617	32,399	77,520	22,424	11,588	2,854,930
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(184,700)	-	-	-	-	-	(184,700)
Fund Balance, July 1	-						-
Prior Period Adjustment	754,295						754,295
Fund Balance, July 1 (Restated)	754,295						754,295
Fund Balance, June 30	569,595						569,595

* Represents scholarship fund net position as of June 30, 2020 per exhibit H-2

** Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

RAMSEY BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2021

	Total Brought Forward (Ex. E-1b)	Title IV	CARES Act	COVID Relief Fund	Digital Divide	County CARES Act	Total Carried Forward
REVENUES							
Local Sources	1,142,954						1,142,954
State Sources	502,141						502,141
Federal Sources	-	7,080	68,353	87,037	41,117	25,000	228,587
Total Revenues	1,645,095	7,080	68,353	87,037	41,117	25,000	1,873,682
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-						-
Other Salaries for Instruction	-						-
Other Purchased Services (400-500 series)	-						-
General Supplies	-		54,312	78,545	41,117	25,000	198,974
Textbooks	38,503						38,503
Total instruction	38,503	-	54,312	78,545	41,117	25,000	237,477
Support services:							
Salaries of Supervisors of Instruction	-						-
Personal Services - Employee Benefits	-						-
Purchased Professional - Educational Services	290,184	7,080					297,264
General Supplies	173,454		14,041	8,492			195,987
Scholarships Awarded	2,200						2,200
Student Activities	1,325,454						1,325,454
Total support services	1,791,292	7,080	14,041	8,492	-	-	1,820,905
Total Expenditures	1,829,795	7,080	68,353	87,037	41,117	25,000	2,058,382
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(184,700)	-	-	-	-	-	(184,700)
Fund Balance, July 1	-						-
Prior Period Adjustment	754,295						754,295
Fund Balance, July 1 (Restated)	754,295	-	-	-	-	-	754,295
Fund Balance, June 30	569,595	-	-	-	-	-	569,595

* Represents scholarship fund net position as of June 30, 2020 per exhibit H-2

** Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

RAMSEY BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2021

	Total Brought Forward (Ex. E-1c)	N.J. Nonpublic Textbook Aid	N.J. Nonpublic Nursing Aid	N.J. Nonpublic Security Aid	N.J. Nonpublic Auxiliary Services Chapter 192 Compensatory Education	Total Carried Forward
REVENUES						
Local Sources	1,142,954					1,142,954
State Sources	155,869	38,503	101,694	173,454	32,621	502,141
Federal Sources	-					-
Total Revenues	1,298,823	38,503	101,694	173,454	32,621	307,769
EXPENDITURES:						
Instruction:						
Salaries of Teachers	-					-
Other Salaries for Instruction	-					-
Other Purchased Services (400-500 series)	-					-
General Supplies	-					-
Textbooks	-	38,503				38,503
Total instruction	-	38,503	-	-	-	38,503
Support services:						
Salaries of Supervisors of Instruction	-					-
Personal Services - Employee Benefits	-					-
Purchased Professional - Educational Services	155,869		101,694	173,454	32,621	290,184
General Supplies	2,200					173,454
Scholarships Awarded	1,325,454					2,200
Student Activities						1,325,454
Total support services	1,483,523	-	101,694	173,454	32,621	1,791,292
Total Expenditures	1,483,523	38,503	101,694	173,454	32,621	1,829,795
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(184,700)	-	-	-	-	(184,700)
Fund Balance, July 1	-					-
Prior Period Adjustment	754,295					754,295
Fund Balance, July 1 (Restated)	754,295					754,295
Fund Balance, June 30	569,595					569,595

* Represents scholarship fund net position as of June 30, 2020 per exhibit H-2

*** Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

RAMSEY BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2021

	Total Brought Forward (Ex. E-1d)	N.J. Nonpublic Handicapped Services, Chapter 193			Wesley D. Tisdale School Student Activity Fund	Mary A. Hubbard School Student Activity Fund	Total Carried Forward
		Supplemental Instruction	Examination & Classification	Corrective Speech			
REVENUES							
Local Sources	1,140,442		72,985	14,400	156	2,356	1,142,954
State Sources	-	68,484					155,869
Federal Sources	-						-
Total Revenues	1,140,442	68,484	72,985	14,400	156	2,356	1,298,823
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-						-
Other Salaries for Instruction	-						-
Other Purchased Services (400-500 series)	-						-
General Supplies	-						-
Textbooks	-						-
Total instruction	-	-	-	-	-	-	-
Support services:							
Salaries of Supervisors of Instruction	-						-
Personal Services - Employee Benefits	-						-
Purchased Professional - Educational Services	-	68,484	72,985	14,400			155,869
General Supplies	-						-
Scholarships Awarded	2,200						2,200
Student Activities	1,318,639				3,261	3,554	1,325,454
Total support services	1,320,839	68,484	72,985	14,400	3,261	3,554	1,483,523
Total Expenditures	1,320,839	68,484	72,985	14,400	3,261	3,554	1,483,523
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(180,397)	-	-	-	(3,105)	(1,198)	(184,700)
Fund Balance, July 1	-						-
Prior Period Adjustment	743,036				7,578	3,681	754,295
Fund Balance, July 1 (Restated)	743,036	-	-	-	7,578	3,681	754,295
Fund Balance, June 30	562,639	-	-	-	4,473	2,483	569,595

* Represents scholarship fund net position as of June 30, 2020 per exhibit H-2

*** Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

RAMSEY BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2021

	Total Brought Forward (Ex. E-1c)	John Y. Dater School Student Activity Fund	Eric S. Smith School Student Activity Fund	High School Student Fund Student Activity Fund	Athletic Department Student Activity Fund	Student Fund Student Activity Fund	Total Carried Forward
REVENUES							
Local Sources	524,731	1,256	112,091	296,534	113,809	92,021	1,140,442
State Sources	-	-	-	-	-	-	-
Federal Sources	-	-	-	-	-	-	-
Total Revenues	524,731	1,256	112,091	296,534	113,809	92,021	615,711
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	-	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-
General Supplies	-	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-	-
Total instruction	-	-	-	-	-	-	-
Support services:							
Salaries of Supervisors of Instruction	-	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-	-	-
General Supplies	2,200	-	-	-	-	-	2,200
Scholarships Awarded	720,553	1,605	117,236	275,673	111,623	91,949	1,318,639
Student Activities	722,753	1,605	117,236	275,673	111,623	91,949	1,320,839
Total support services	722,753	1,605	117,236	275,673	111,623	91,949	1,320,839
Total Expenditures	(198,022)	(349)	(5,145)	20,861	2,186	72	(180,397)
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)							
Fund Balance, July 1	-	-	-	-	-	-	-
Prior Period Adjustment	393,171 **	3,685 **	26,034 **	316,042 **	(1,470) **	5,574 **	743,036
Fund Balance, July 1 (Restated)	393,171	3,685	26,034	316,042	(1,470)	5,574	743,036
Fund Balance, June 30	195,149	3,336	20,889	336,903	716	5,646	562,639

* Represents scholarship fund net position as of June 30, 2020 per exhibit H-2
 ** Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

RAMSEY BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2021

	Adult Education Student Activity Fund	Contributions Pledged to Specific Awards	Scholarship Accounts	Total Carried Forward
REVENUES				
Local Sources	479,258	43,481	1,992	524,731
State Sources				-
Federal Sources				-
Total Revenues	<u>479,258</u>	<u>43,481</u>	<u>1,992</u>	<u>524,731</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers				-
Other Salaries for Instruction				-
Other Purchased Services (400-500 series)				-
General Supplies				-
Textbooks				-
Total instruction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Support services:				
Salaries of Supervisors of Instruction				-
Personal Services - Employee Benefits				-
Purchased Professional - Educational Services				-
General Supplies				-
Scholarships Awarded		2,200		2,200
Student Activities	677,074	43,479		720,553
Total support services	<u>677,074</u>	<u>43,479</u>	<u>2,200</u>	<u>722,753</u>
Total Expenditures	<u>677,074</u>	<u>43,479</u>	<u>2,200</u>	<u>722,753</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(197,816)</u>	<u>2</u>	<u>(208)</u>	<u>(198,022)</u>
Fund Balance, July 1				-
Prior Period Adjustment	331,349 **	36,019 **	25,803 *	393,171
Fund Balance, July 1 (Restated)	<u>331,349</u>	<u>36,019</u>	<u>25,803</u>	<u>393,171</u>
Fund Balance, June 30	<u>133,533</u>	<u>36,021</u>	<u>25,595</u>	<u>195,149</u>

* Represents scholarship fund net position as of June 30, 2020 per exhibit H-2

** Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

CAPITAL PROJECTS FUND

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Summary Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budgetary Basis
Fiscal Year Ended June 30, 2021

Revenues and Other Financing Sources

State Sources - SCC Grant	-
Bond proceeds and transfers	-
Transfers from Capital Reserve	-
Transfers from Capital Outlay	-
Interest on Investments	76,765
	76,765

Expenditures and Other Financing Uses

Purchased professional and technical services	693,392
Land and improvements	-
Construction services	12,555,011
General supplies	427,964
Equipment purchases	-
Transfer to General Fund	76,765
	13,753,132

Excess (deficiency) of revenues over (under) expenditures	(13,676,367)
Fund balance - beginning	34,765,016
Fund balance - ending	21,088,649

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Ramsey High School Educational Adequacy Project
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	11,334,894	(133,407)	11,201,487	11,201,487
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>11,334,894</u>	<u>(133,407)</u>	<u>11,201,487</u>	<u>11,201,487</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	337,974	230,206	568,180	1,168,294
Land and improvements			-	-
Construction services		1,438,553	1,438,553	9,205,964
General supplies			-	827,229
Equipment purchases			-	-
	<u>337,974</u>	<u>1,668,759</u>	<u>2,006,733</u>	<u>11,201,487</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,996,920</u>	<u>(1,802,166)</u>	<u>9,194,754</u>	<u>-</u>
Additional project information:				
Project number	4310-050-18-2000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	11,676,493			
Bonds issued	11,676,493			
Original authorization cost	11,676,493			
Additional authorized cost	(341,599)			
Revised authorized cost	11,334,894			
Percentage increase over original authorized cost	(0.03)			
Percentage completion	18%			
Original target completion date	November 2022			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Ramsey High School Capital Renovations Project
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	7,683,827	(165,081)	7,518,746	7,518,746
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>7,683,827</u>	<u>(165,081)</u>	<u>7,518,746</u>	<u>7,518,746</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	219,952	88,407	308,359	1,172,369
Land and improvements			-	-
Construction services	1,485,228	928,881	2,414,109	6,296,377
General supplies				50,000
Equipment purchases			-	-
	<u>1,705,180</u>	<u>1,017,288</u>	<u>2,722,468</u>	<u>7,518,746</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,978,647</u>	<u>(1,182,369)</u>	<u>4,796,278</u>	<u>-</u>
Additional project information:				
Project number	4310-050-18-1000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	7,662,708			
Bonds issued	7,662,708			
Original authorization cost	7,315,200			
Additional authorized cost	368,627			
Revised authorized cost	7,683,827			
Percentage increase over original authorized cost	0.05			
Percentage completion	35%			
Original target completion date	August 2020			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Eric S. Smith Middle School Educational Adequacy Project
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	9,546,170	(810,215)	8,735,955	8,735,955
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>9,546,170</u>	<u>(810,215)</u>	<u>8,735,955</u>	<u>8,735,955</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	564,853	109,137	673,990	742,688
Land and improvements			-	-
Construction services	1,877,435	4,910,994	6,788,429	7,287,500
General supplies	237,408	427,131	664,539	705,767
Equipment purchases			-	-
	<u>2,679,696</u>	<u>5,447,262</u>	<u>8,126,958</u>	<u>8,735,955</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,866,474</u>	<u>(6,257,477)</u>	<u>608,997</u>	<u>-</u>
Additional project information:				
Project number	4310-055-18-1000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	10,067,275			
Bonds issued	10,067,275			
Original authorization cost	9,984,685			
Additional authorized cost	(438,515)			
Revised authorized cost	9,546,170			
Percentage increase over original authorized cost	(0.04)			
Percentage completion	85%			
Original target completion date	May 2021			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Eric S. Smith Middle School Capital Renovations Project
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	4,503,748	1,292,812	5,796,560	5,796,560
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>4,503,748</u>	<u>1,292,812</u>	<u>5,796,560</u>	<u>5,796,560</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	62,219	121,366	183,585	612,884
Land and improvements			-	-
Construction services	20,897	788,340	809,237	5,183,676
General supplies			-	-
Equipment purchases			-	-
	<u>83,116</u>	<u>909,706</u>	<u>992,822</u>	<u>5,796,560</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,420,632</u>	<u>383,106</u>	<u>4,803,738</u>	<u>-</u>
Additional project information:				
Project number	4310-055-18-2000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	4,503,748			
Bonds issued	4,503,748			
Original authorization cost	4,497,772			
Additional authorized cost	5,976			
Revised authorized cost	4,503,748			
Percentage increase over original authorized cost	0.00			
Percentage completion	22%			
Original target completion date	August 2022			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
John Y. Dater Elementary School Educational Adequacy Projects
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	125,185	(5,148)	120,037	120,037
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>125,185</u>	<u>(5,148)</u>	<u>120,037</u>	<u>120,037</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	23,236		23,236	23,236
Land and improvements			-	-
Construction services	94,140		94,140	94,150
General supplies	2,649		2,649	2,651
Equipment purchases			-	-
	<u>120,025</u>	<u>-</u>	<u>120,025</u>	<u>120,037</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,160</u>	<u>(5,148)</u>	<u>12</u>	<u>-</u>
Additional project information:				
Project number	4310-060-18-2000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	126,120			
Bonds issued	126,120			
Original authorization cost	184,320			
Additional authorized cost	(59,135)			
Revised authorized cost	125,185			
Percentage increase over original authorized cost	(0.32)			
Percentage completion	96%			
Original target completion date	December 2019			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
John Y. Dater Elementary School Capital Renovations Project
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	1,474,769	(114,547)	1,360,222	1,360,222
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>1,474,769</u>	<u>(114,547)</u>	<u>1,360,222</u>	<u>1,360,222</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	167,661		167,661	249,411
Land and improvements			-	-
Construction services	656,534	61,290	717,824	1,110,811
General supplies			-	-
Equipment purchases			-	-
	<u>824,195</u>	<u>61,290</u>	<u>885,485</u>	<u>1,360,222</u>
Excess (deficiency) of revenues over (under) expenditures	<u>650,574</u>	<u>(175,837)</u>	<u>474,737</u>	<u>-</u>
Additional project information:				
Project number	4310-060-18-1000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	1,477,369			
Bonds issued	1,477,369			
Original authorization cost	1,746,653			
Additional authorized cost	(271,884)			
Revised authorized cost	1,474,769			
Percentage increase over original authorized cost	(0.16)			
Percentage completion	60%			
Original target completion date	September 2021			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Mary A. Hubbard Elementary School Educational Adequacy Projects
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	3,791,125	(1,167)	3,789,958	3,789,958
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>3,791,125</u>	<u>(1,167)</u>	<u>3,789,958</u>	<u>3,789,958</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	293,837	71,817	365,654	497,309
Land and improvements			-	-
Construction services	407,555	2,594,648	3,002,203	3,192,530
General supplies	24,096	542	24,638	100,119
Equipment purchases			-	-
	<u>725,488</u>	<u>2,667,007</u>	<u>3,392,495</u>	<u>3,789,958</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,065,637</u>	<u>(2,668,174)</u>	<u>397,463</u>	<u>-</u>
Additional project information:				
Project number	4310-070-18-1000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	3,366,531			
Bonds issued	3,366,531			
Original authorization cost	177,132			
Additional authorized cost	3,613,993			
Revised authorized cost	3,791,125			
Percentage increase over original authorized cost	20.40			
Percentage completion	89%			
Original target completion date	March 2021			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Mary A. Hubbard Elementary School Capital Renovations Project
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	669,705	(18,858)	650,847	650,847
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>669,705</u>	<u>(18,858)</u>	<u>650,847</u>	<u>650,847</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	72,009	6,392	78,401	119,372
Land and improvements			-	-
Construction services	264,565		264,565	531,475
General supplies			-	-
Equipment purchases			-	-
	<u>336,574</u>	<u>6,392</u>	<u>342,966</u>	<u>650,847</u>
Excess (deficiency) of revenues over (under) expenditures	<u>333,131</u>	<u>(25,250)</u>	<u>307,881</u>	<u>-</u>
Additional project information:				
Project number	4310-070-18-2000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	551,780			
Bonds issued	551,780			
Original authorization cost	619,720			
Additional authorized cost	49,985			
Revised authorized cost	669,705			
Percentage increase over original authorized cost	0.08			
Percentage completion	51%			
Original target completion date	August 2022			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Wesley D. Tisdale Elementary School Educational Adequacy Projects
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	3,080,665	(19,381)	3,061,284	3,061,284
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>3,080,665</u>	<u>(19,381)</u>	<u>3,061,284</u>	<u>3,061,284</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	265,610	54,668	320,278	332,348
Land and improvements			-	-
Construction services	763,000	1,832,305	2,595,305	2,673,733
General supplies	32,008	291	32,299	55,203
Equipment purchases			-	-
	<u>1,060,618</u>	<u>1,887,264</u>	<u>2,947,882</u>	<u>3,061,284</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,020,047</u>	<u>(1,906,645)</u>	<u>113,402</u>	<u>-</u>
Additional project information:				
Project number	4310-080-18-2000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	2,858,684			
Bonds issued	2,858,684			
Original authorization cost	174,514			
Additional authorized cost	2,906,151			
Revised authorized cost	3,080,665			
Percentage increase over original authorized cost	16.65			
Percentage completion	96%			
Original target completion date	March 2021			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Wesley D. Tisdale Elementary School Capital Renovations Project
Fiscal Year Ended June 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	704,912	(25,008)	679,904	679,904
Transfers from Capital Reserve			-	-
Transfers from Capital Outlay			-	-
	<u>704,912</u>	<u>(25,008)</u>	<u>679,904</u>	<u>679,904</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	79,860	11,399	91,259	130,594
Land and improvements			-	-
Construction services	197,258		197,258	549,310
General supplies			-	-
Equipment purchases			-	-
	<u>277,118</u>	<u>11,399</u>	<u>288,517</u>	<u>679,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>427,794</u>	<u>(36,407)</u>	<u>391,387</u>	<u>-</u>
Additional project information:				
Project number	4310-080-18-1000			
Grant date	N/A			
Bond authorization date	12/11/2018			
Bonds authorized	624,292			
Bonds issued	624,292			
Original authorization cost	715,511			
Additional authorized cost	(10,599)			
Revised authorized cost	704,912			
Percentage increase over original authorized cost	(0.01)			
Percentage completion	41%			
Original target completion date	August 2022			
Revised target completion date				

RAMSEY BOARD OF EDUCATION
Capital Projects Fund
Summary Statement of Project Expenditures
Fiscal Year Ended June 30, 2021

Project Title/Issue	Date	Expenditures to Date		Operating Transfer to Capital Reserve	Unexpended Balance June 30, 2021
		Prior Years	Current Year		
Ramsey High School Educational Adequacy Project	11-Dec-18	11,201,487	1,668,759		9,194,754
Ramsey High School Capital Renovation Project	11-Dec-18	7,518,746	1,017,288		4,796,278
Eric S. Smith Middle School Educational Adequacy Project	11-Dec-18	8,735,955	5,447,262		608,997
Eric S. Smith Middle School Capital Renovation Project	11-Dec-18	5,796,560	909,706		4,803,738
John Y. Dater Elementary School Educational Adequacy Project	11-Dec-18	120,037	-		12
John Y. Dater Elementary School Capital Renovation Project	11-Dec-18	1,360,222	61,290		474,737
Mary A. Hubbard Elementary School Educational Adequacy Project	11-Dec-18	3,789,958	2,667,007		397,463
Mary A. Hubbard Elementary School Capital Renovation Project	11-Dec-18	650,847	6,392		307,881
Welsey D. Tisdale Elementary School Educational Adequacy Project	11-Dec-18	3,061,284	1,887,264		113,402
Welsey D. Tisdale Elementary School Capital Renovation Project	11-Dec-18	679,904	11,399		391,387
		<u>42,915,000</u>	<u>13,676,367</u>	<u>-</u>	<u>21,088,649</u>

PROPRIETARY FUNDS

**RAMSEY BOARD OF EDUCATION
Combining Statement of Net Position
Enterprise Funds
Fiscal Year Ended June 30, 2021**

	Food Service Program	Totals
ASSETS		
Current assets:		
Cash and cash equivalents	29,797	29,797
Accounts receivable:		
State	805	805
Federal	12,261	12,261
Interfund - General Fund	410	410
Inventories	5,489	5,489
Total current assets	48,762	48,762
Noncurrent assets:		
Capital assets:		
Equipment	484,073	484,073
Less accumulated depreciation	(447,129)	(447,129)
Total capital assets (net of accumulated depreciation)	36,944	36,944
Total assets	85,706	85,706
LIABILITIES		
Current liabilities:		
Accounts payable	20,328	20,328
Prepaid revenue	32,761	32,761
Total current liabilities	53,089	53,089
Total liabilities	53,089	53,089
NET POSITION		
Net investment in capital assets	36,944	36,944
Unrestricted	(4,327)	(4,327)
Total net position	32,617	32,617

RAMSEY BOARD OF EDUCATION
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
Fiscal Year Ended June 30, 2021

	Food Service Program	Totals
Operating revenues:		
Charges for services:		
Daily sales - non-reimbursable programs	7,700	7,700
Total operating revenues	7,700	7,700
Operating expenses:		
Cost of sales - reimbursable programs	87,294	87,294
Cost of sales - non-reimbursable programs	3,940	3,940
Salaries	75,453	75,453
Benefits	16,265	16,265
Supplies and materials	7,540	7,540
Purchased property services	67,626	67,626
Other expenses	5,335	5,335
Depreciation	6,683	6,683
Total operating expenses	270,136	270,136
Operating income (loss)	(262,436)	(262,436)
Nonoperating revenues (expenses):		
State sources:		
State school lunch program	3,814	3,814
Federal sources:		
National school lunch program	62,020	62,020
National breakfast program	17,957	17,957
Emergency Operational Cost Program - School	324	324
P-EBT Administrative Cost	614	614
Food distribution program	10,953	10,953
Miscellaneous - prior year void check	58	58
Insurance Reimbursements	6,760	6,760
Total nonoperating revenues (expenses)	102,500	102,500
Income (loss) before contributions & transfers	(159,936)	(159,936)
Other financing sources/(uses)		
Transfers in	140,000	140,000
Change in net position	(19,936)	(19,936)
Total net position—beginning	52,553	52,553
Total net position—ending	32,617	32,617

RAMSEY BOARD OF EDUCATION
Combining Statement of Cash Flows
Enterprise Funds
Fiscal Year Ended June 30, 2021

	Food Service Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	6,609	6,609
Payments to suppliers	(260,658)	(260,658)
Net cash provided by (used for) operating activities	(254,049)	(254,049)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Local Sources	37,012	37,012
State Sources	3,077	3,077
Federal Sources	83,291	83,291
Board Contributions	140,000	140,000
Net cash provided by (used for) non-capital financing activities	263,380	263,380
CASH FLOWS FROM INVESTING ACTIVITIES		
Miscellaneous - prior year void	58	58
Net cash provided by (used for) investing activities	58	58
Net increase (decrease) in cash and cash equivalents	9,389	9,389
Balances—beginning of year	20,408	20,408
Balances—end of year	29,797	29,797
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	(262,436)	(262,436)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
Depreciation and net amortization	6,683	6,683
Food Distribution Program	10,953	10,953
(Increase) decrease in inventories	15,504	15,504
Increase (decrease) in accounts payable	(23,661)	(23,661)
Increase (decrease) in prepaid revenue	(1,092)	(1,092)
Total adjustments	8,387	8,387
Net cash provided by (used for) operating activities	(254,049)	(254,049)

LONG-TERM DEBT

RAMSEY BOARD OF EDUCATION
General Long-Term Debt Account Group
Schedule of Serial Bonds
June 30, 2021

Issue	Date of Loan	Amount of Loan	Principal Payment		Interest Rate	Balance, June 30, 2020	Retired	Balance, June 30, 2021
			Date	Amount				
Refunding Bond	April 4, 2012	16,700,000	01/15/22	1,500,000	4.00%	6,140,000	1,455,000	4,685,000
			01/15/23	1,560,000	4.00%			
			01/15/24	1,625,000	5.00%			
School Improvements Bond, Series 2019	February 14, 2019	37,092,000	01/15/22	850,000	3.125%	37,092,000	852,000	36,240,000
			01/15/23	850,000	3.125%			
			01/15/24	850,000	3.250%			
			01/15/25	1,700,000	3.250%			
			01/25/26	1,700,000	3.250%			
			01/15/27	1,700,000	3.250%			
			01/15/28	1,700,000	3.250%			
			01/15/29	1,700,000	3.250%			
			01/15/30	1,700,000	3.250%			
			01/15/31	1,700,000	3.250%			
			01/15/32	1,700,000	3.250%			
			01/15/33	1,700,000	3.250%			
			01/15/34	1,700,000	3.250%			
			01/15/35	1,700,000	3.250%			
01/15/36	1,700,000	3.250%						
01/15/37	1,700,000	3.250%						
01/15/38	1,700,000	3.375%						
01/15/39	1,700,000	3.500%						
01/15/40	1,700,000	3.500%						
01/15/41	1,690,000	3.500%						
01/15/42	1,600,000	3.500%						
01/15/43	1,600,000	3.500%						
01/15/44	1,600,000	3.625%						

RAMSEY BOARD OF EDUCATION
General Long-Term Debt Account Group
Schedule of Serial Bonds
June 30, 2021

<u>Issue</u>	<u>Date of Loan</u>	<u>Amount of Loan</u>	<u>Principal Payment Date</u>	<u>Principal Payment Amount</u>	<u>Interest Rate</u>	<u>Balance, June 30, 2020</u>	<u>Retired</u>	<u>Balance, June 30, 2021</u>
School Improvements Bond, Series 2020	February 26, 2020	5,823,000	01/15/22	225,000	1.500%	5,823,000	228,000	5,595,000
			01/15/23	225,000	1.500%			
			01/15/24	225,000	1.500%			
			01/15/25	450,000	1.500%			
			01/25/26	450,000	1.500%			
			01/15/27	450,000	1.500%			
			01/15/28	450,000	1.500%			
			01/15/29	450,000	1.750%			
			01/15/30	450,000	1.750%			
			01/15/31	450,000	2.000%			
			01/15/32	450,000	2.000%			
			01/15/33	450,000	2.000%			
			01/15/34	450,000	2.000%			
			01/15/35	420,000	2.000%			
						\$ 49,055,000	2,535,000	46,520,000

RAMSEY BOARD OF EDUCATION
Budgetary Comparison Schedule
Debt Service Fund
Fiscal Year Ended June 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	3,341,777		3,341,777	3,341,777	-
Total - Local Sources	3,341,777	-	3,341,777	3,341,777	-
State Sources:					
Debt Service Aide Type II	759,171		759,171	759,171	-
Total - Local Sources	759,171	-	759,171	759,171	-
Total Revenues	4,100,948	-	4,100,948	4,100,948	-
EXPENDITURES:					
Regular Debt Service:					
Interest	1,566,612	-	1,566,612	1,566,612	-
Redemption of Principal	2,535,000	-	2,535,000	2,535,000	-
Total Regular Debt Service	4,101,612	-	4,101,612	4,101,612	-
Total expenditures	4,101,612	-	4,101,612	4,101,612	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(664)	-	(664)	(664)	-
Fund Balance, July 1	664		664	664	-
Fund Balance, June 30	-		-	-	-
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures	(664)	-	(664)	(664)	-
Budgeted Fund Balance	(664)		(664)	(664)	-
	(664)	-	(664)	(664)	-

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

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STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

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Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	J-1 to J-5
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 to J-9
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.	J-10 to J-13
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.	J-14 to J-15
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.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.	

Ramsey Board of Education
Net Assets/Position* by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30, Restated									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Invested in capital assets	\$ 14,628,397	\$ 17,432,803	\$ 17,765,187	\$ 20,645,498	\$ 28,073,441	\$ 28,303,870	\$ 30,401,114	\$ (4,379,391)	\$ (4,459,500)	\$ 10,562,369
Restricted	6,911,478	7,794,779	9,794,237	10,271,833	12,285,224	14,263,949	14,707,228	53,443,142	58,147,398	48,341,372
Unrestricted	(17,482)	(295,447)	(276,446)	(14,860,987)	(15,512,258)	(17,665,469)	(18,705,337)	(19,502,638)	(19,937,982)	(18,288,305)
Total governmental activities net position	\$ 21,522,393	\$ 24,932,135	\$ 27,282,978	\$ 16,056,344	\$ 24,846,407	\$ 24,902,350	\$ 26,403,005	\$ 29,561,113	\$ 33,749,916	\$ 40,615,436
Business-type activities										
Invested in capital assets	\$ 181,888	\$ 34,829	\$ 60,889	\$ 45,951	\$ 37,508	\$ 29,067	\$ 30,193	\$ 52,730	\$ 43,627	\$ 36,944
Restricted	239,353	230,668	205,444	153,274	188,099	191,613	173,256	90,805	8,926	(4,327)
Unrestricted	\$ 421,241	\$ 265,497	\$ 266,333	\$ 199,225	\$ 225,607	\$ 220,680	\$ 203,449	\$ 143,535	\$ 52,553	\$ 32,617
Total business-type activities net position	\$ 642,482	\$ 530,954	\$ 532,666	\$ 398,450	\$ 450,214	\$ 412,360	\$ 376,898	\$ 237,070	\$ 63,006	\$ 24,234
District-wide										
Invested in capital assets	\$ 14,810,285	\$ 17,467,632	\$ 17,826,076	\$ 20,691,449	\$ 28,110,949	\$ 28,332,937	\$ 30,431,307	\$ (4,326,661)	\$ (4,415,873)	\$ 10,599,313
Restricted	6,911,478	7,794,779	9,794,237	10,271,833	12,285,224	14,263,949	14,707,228	53,443,142	58,147,398	48,341,372
Unrestricted	221,871	(64,779)	(71,002)	(14,707,713)	(15,324,159)	(17,473,856)	(18,532,081)	(19,411,833)	(19,929,056)	(18,292,632)
Total district net position	\$ 21,943,634	\$ 25,197,632	\$ 27,549,311	\$ 16,255,569	\$ 25,072,014	\$ 25,123,030	\$ 26,606,454	\$ 29,704,648	\$ 33,802,469	\$ 40,648,053

Source: CAFR Schedule A-1

* - GASB Statement No.63 became effective for the fiscal year ended June 30, 2013 which changed Net Assets to Net Position.

Ramsey Board of Education
Changes in Net Assets/Position*, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2011	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
Instruction										
Regular	\$ 21,340,017	\$ 21,847,647	\$ 21,945,607	\$ 25,249,007	\$ 27,057,690	\$ 29,796,361	\$ 27,823,413	\$ 26,430,829	\$ 25,704,623	\$ 27,061,549
Special education	4,919,294	4,651,567	4,720,971	5,605,792	6,124,387	6,966,988	7,576,342	7,388,346	7,069,172	7,753,735
Other special education	842,159	924,521	913,949	984,373	861,548	913,722	926,700	1,041,809	1,017,496	777,047
Other instruction	1,023,763	1,099,984	1,161,090	1,376,244	1,461,061	1,423,812	1,624,754	1,624,423	1,568,018	1,551,138
Support Services:										
Tuition	2,758,946	2,336,364	2,446,519	2,612,882	1,956,654	2,081,435	2,284,987	2,308,995	2,404,145	2,595,334
Student & instruction related services	7,203,833	7,733,785	8,269,347	9,545,803	10,511,434	11,089,386	10,183,764	10,315,158	10,122,252	11,134,906
General administrative services	1,239,011	1,247,047	1,339,512	1,237,013	1,114,193	1,219,371	1,268,434	1,467,330	1,400,165	1,595,177
School administrative services	2,275,194	2,177,689	2,176,490	2,506,659	2,613,838	2,973,038	2,841,274	2,448,378	2,339,418	2,524,998
Central services	533,362	538,395	558,455	644,652	755,885	642,619	595,887	609,136	583,670	625,310
Administrative information tech.	17,460	17,460	17,460	49,480	17,460	36,005	34,617	34,821	35,942	36,037
Plant operations and maintenance	4,518,777	4,792,863	4,945,370	5,329,590	6,023,238	6,033,700	5,822,222	6,230,266	5,381,244	5,996,531
Pupil transportation	1,635,220	1,350,075	1,417,645	1,437,641	1,496,661	1,551,563	1,680,367	1,841,917	1,919,194	1,738,624
Unallocated Benefits	3,205,691	5,163,141	4,423,952	5,098,594	6,775,837	9,026,426	13,588,871	11,769,457	10,224,618	20,562,489
Capital outlay - non-depreciable	17,175	664,734	751,687	39,074	359,968	1,730,368	312,012	676,847	2,253,420	219,483
Interest on long-term debt	967,729	664,734	580,083	525,206	457,042	411,356	363,037	792,943	1,537,041	1,543,836
Unallocated depreciation	1,333,946	1,603,072	1,797,686	2,106,290	2,133,704	2,103,814	2,031,976	2,098,906	2,082,973	2,160,462
Capital lease obligations and amortization	(121,848)	(121,848)	(121,848)	(121,848)	(121,848)	(121,848)	(121,848)	(121,848)	(121,848)	(121,848)
Total governmental activities expenses	\$ 53,831,577	\$ 56,026,496	\$ 57,343,975	\$ 64,194,432	\$ 69,630,772	\$ 77,877,916	\$ 78,836,809	\$ 76,957,713	\$ 75,521,543	\$ 87,754,808
Governmental activities:										
Student & instruction related services	-	-	-	-	-	-	-	-	-	1,140,962
Total governmental activities expense	-	-	-	-	-	-	-	-	-	1,140,962
Business-type activities:										
Food service	785,738	730,013	710,095	704,807	755,061	714,501	695,993	765,721	578,316	270,136
Total business-type activities expense	785,738	730,013	710,095	704,807	755,061	714,501	695,993	765,721	578,316	270,136
Total district expenses	\$ 54,617,315	\$ 56,756,509	\$ 58,054,070	\$ 64,899,239	\$ 70,385,833	\$ 78,592,417	\$ 79,532,802	\$ 77,723,434	\$ 76,099,859	\$ 89,165,906
Program Revenues										
Governmental activities:										
Charges for services:										
Operating grants and contributions	\$ 1,178,123	\$ 1,121,693	\$ 1,112,463	\$ 1,183,677	\$ 1,199,952	\$ 1,276,427	\$ 1,165,205	\$ 1,429,889	\$ 1,276,604	\$ 1,667,294
Total governmental activities program revenues	1,178,123	1,121,693	1,112,463	1,183,677	1,199,952	1,276,427	1,165,205	1,429,889	1,276,604	1,667,294

Ramsey Board of Education
Changes in Net Assets/Position*, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2011	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities:										
Charges for services										
Food service	709,350	597,772	592,876	538,095	653,461	613,550	579,988	619,110	388,753	7,700
Operating grants and contributions	84,472	93,915	103,493	99,580	75,682	64,817	67,466	66,725	68,270	95,682
Total business type activities program revenues	793,822	691,687	696,369	637,675	729,143	678,367	647,454	685,835	457,023	103,382
Total district program revenues	\$ 1,971,945	\$ 1,813,380	\$ 1,808,832	\$ 1,821,352	\$ 1,929,095	\$ 1,954,794	\$ 1,812,659	\$ 2,115,724	\$ 1,733,627	\$ 1,770,676
Net (Expense)/Revenue										
Governmental activities	\$ (52,653,454)	\$ (54,904,803)	\$ (56,231,512)	\$ (63,010,755)	\$ (68,430,820)	\$ (76,601,489)	\$ (77,671,604)	\$ (75,527,824)	\$ (74,244,939)	\$ (84,946,552)
Business-type activities	8,084	(38,326)	(13,726)	(67,132)	(25,918)	(36,134)	(48,539)	(79,886)	(121,293)	(166,754)
Total district-wide net expense	\$ (52,645,370)	\$ (54,943,129)	\$ (56,245,238)	\$ (63,077,887)	\$ (68,456,738)	\$ (76,637,623)	\$ (77,720,143)	\$ (75,607,710)	\$ (74,366,232)	\$ (85,113,306)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 46,159,075	\$ 47,541,824	\$ 48,292,660	\$ 48,971,745	\$ 50,496,209	\$ 52,028,416	\$ 53,781,644	\$ 55,658,725	\$ 57,864,597	\$ 59,021,889
Taxes levied for debt service	2,577,389	2,545,340	2,417,466	2,278,081	2,311,978	2,301,787	1,690,802	1,684,096	2,826,277	3,341,777
Unrestricted grants and contributions	3,957,151	6,819,525	6,402,622	12,381,943	15,211,699	20,165,843	22,047,624	17,550,958	15,243,157	26,775,915
Federal and State aid - Capital Outlay	1,547,116	1,329,177	1,859,684	1,906,306	1,734,522	1,923,824	1,484,058	2,258,857	1,655,718	1,440,183
Tuition received	22,297	23,677	27,216	30,941	31,883	50,679	30,312	88,695	24,799	12,545
Transportation Fees	51,977	216	7,141	213	248	327	818	265,233	537,981	76,765
Miscellaneous income	357,943	37,429	88,594	71,148	32,199	217,750	388,500	1,221,261	311,463	213,714
Other restricted miscellaneous revenue	-	-	-	-	-	-	-	-	-	554
Other financing sources/ (uses)	-	-	-	(28,099)	(28,099)	(31,194)	(251,499)	(41,893)	(30,250)	(140,000)
Total governmental activities	54,672,948	58,302,588	59,095,383	66,202,661	69,790,639	76,657,432	79,172,259	78,685,932	78,433,742	90,743,342
Business-type activities:										
Investment earnings	-	25	64	24	21	13	26	115	61	6,818
Miscellaneous income	-	12,706	-	-	24,180	31,194	31,282	19,857	30,250	140,000
Other financing sources/ (uses)	-	12,731	64	24	52,300	31,207	31,308	19,972	30,311	146,818
Total business-type activities	\$ 54,672,948	\$ 58,315,319	\$ 59,095,447	\$ 66,202,685	\$ 69,842,939	\$ 76,688,639	\$ 79,203,567	\$ 78,705,904	\$ 78,464,053	\$ 90,890,160
Change in Net Position										
Governmental activities	\$ 2,019,494	\$ 3,397,785	\$ 2,863,871	\$ 3,191,906	\$ 1,359,819	\$ 55,943	\$ 1,500,655	\$ 3,158,108	\$ 4,188,803	\$ 5,796,790
Business-type activities	8,084	(25,595)	(13,662)	(67,108)	26,382	(4,927)	(17,231)	(59,914)	(90,982)	(19,936)
Total district	\$ 2,027,578	\$ 3,372,190	\$ 2,850,209	\$ 3,124,798	\$ 1,386,201	\$ 51,016	\$ 1,483,424	\$ 3,098,194	\$ 4,097,821	\$ 5,776,854

Source: CAFR Schedule A-2

* - GASB Statement No.63 became effective for the fiscal year ended June 30, 2013 which changed Net Assets to Net Position.

Ramsey Board of Education
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Restricted	6,344,131	7,504,974	9,531,400	9,746,063	11,957,308	13,405,321	13,495,706	14,916,324	18,481,608	23,178,225
Committed	420,000									
Assigned	32,722	64,699	30,139	186,080		845,726	1,198,050	2,513,852	4,900,110	3,474,920
Unassigned	1,094,025	1,022,529	1,233,237	955,131	991,932	945,968	1,012,644	1,042,270	1,002,773	2,374,938
Total general fund	\$ 7,890,878	\$ 8,592,202	\$ 10,794,776	\$ 10,887,274	\$ 12,949,240	\$ 15,197,015	\$ 15,706,400	\$ 18,472,446	\$ 24,384,491	\$ 29,028,083
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	-	569,595
Capital projects fund	106,593	106,593	106,593	327,455	327,455			36,011,485	34,765,016	21,088,649
Debt service fund	8,032	118,513	126,105	12,235	461	12,902	13,472	1,482	664	
Permanent fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 114,625	\$ 225,106	\$ 232,698	\$ 339,690	\$ 327,916	\$ 12,902	\$ 13,472	\$ 36,012,967	\$ 34,765,680	\$ 21,658,244

Source: CAFR Schedule B-1

Ramsey Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Tax levy	\$ 49,511,517	\$ 50,087,164	\$ 50,710,126	\$ 51,249,826	\$ 52,808,187	\$ 54,330,203	\$ 55,472,446	\$ 57,342,821	\$ 60,690,874	\$ 62,363,666
Tuition charges	1,510,925	1,329,177	1,859,684	1,906,306	1,734,522	1,923,824	1,484,058	2,258,857	1,655,718	1,440,183
Transportation fees	24,562	23,677	27,216	30,941	31,883	50,679	30,312	88,695	24,799	12,545
Other Restricted Miscellaneous Revenues										554
Interest earned	185	216	7,141	213	248	327	818	265,233	537,981	76,765
Other Local Revenue	33,214	37,429	88,594	71,148	32,199	217,750	388,500	38,313,261	6,134,463	1,356,668
State sources	5,635,968	7,094,532	6,685,950	7,708,229	8,076,532	8,886,663	9,981,234	11,252,273	11,979,966	14,951,010
Federal sources	941,950	852,086	829,135	860,056	912,923	912,065	720,125	1,017,081	800,339	1,131,212
Total revenue	57,658,321	59,424,281	60,207,846	61,826,719	63,596,494	66,321,511	68,077,493	110,538,221	81,824,140	81,332,603
Expenditures										
Instruction										
Regular Instruction	17,213,992	18,593,763	18,492,941	18,934,393	19,363,075	19,482,283	19,170,391	19,370,830	19,367,592	21,343,484
Special education instruction	3,654,051	3,813,026	3,931,862	4,119,097	4,289,214	4,439,308	5,327,655	5,569,365	5,388,335	6,180,924
Other special instruction	777,329	794,121	791,837	757,983	628,383	617,113	670,785	820,769	838,677	649,178
Other instruction	875,684	935,881	1,002,426	1,072,134	1,093,616	986,078	1,183,858	1,245,507	1,225,956	1,248,063
Support Services:										
Tuition	2,994,928	2,336,364	2,446,519	2,612,882	1,962,999	2,081,435	2,284,987	2,308,995	2,404,145	2,595,334
Attendance and social work services	74,196	40,645	42,916	43,686	44,428	45,213	46,078	47,010	48,308	51,535
Health services	408,930	423,031	443,315	470,360	468,481	481,741	484,960	472,501	478,885	449,544
Student & instruction related services	5,246,227	6,004,627	6,554,093	6,735,690	7,166,442	7,434,665	7,192,179	7,674,235	7,687,110	9,177,476
General administrative services	1,159,074	1,157,927	1,249,809	1,088,766	944,821	1,016,153	1,083,746	1,305,724	1,222,747	1,546,352
School Administrative services	1,880,884	1,818,342	1,846,347	1,890,814	1,904,490	1,981,553	2,028,104	1,808,419	1,761,621	1,989,876
Central services	439,942	449,197	473,459	488,162	551,302	426,818	415,373	451,420	442,925	485,731
Administrative information tech	17,460	17,460	17,460	17,460	49,480	36,005	34,617	34,821	35,942	36,037
Plant operations and maintenance	4,329,071	4,337,031	4,500,902	4,479,237	4,993,716	4,655,616	4,996,501	5,349,235	4,605,662	5,557,960
Pupil transportation	1,472,325	1,312,946	1,386,596	1,381,062	1,428,154	1,427,698	1,594,784	1,765,001	1,829,937	1,655,840
Unallocated employee benefits	8,014,412	7,255,936	6,731,933	6,895,771	7,724,296	7,972,579	8,743,357	9,471,826	9,139,537	8,306,168
TPAF Pension / Social Security	3,883,306	5,096,104	4,423,952	5,193,741	6,070,807	6,893,535	7,804,516	8,797,698	9,353,564	11,306,731
Capital outlay	52,910	1,775,773	1,239,417	3,053,827	510,499	2,077,763	2,563,098	3,540,681	8,471,094	14,043,332
Debt service:										
Principal	1,650,000	1,925,000	1,815,000	1,850,000	1,850,000	1,865,000	1,310,000	1,355,000	1,395,000	2,535,000
Interest and other charges	926,167	525,302	606,896	542,164	474,000	437,000	381,050	341,750	1,432,095	1,566,612
Total expenditures	55,070,888	58,612,476	57,997,680	61,627,229	61,518,203	64,357,556	67,316,039	71,730,787	77,129,132	90,725,177
Excess (Deficiency) of revenues over (under) expenditures	2,587,433	811,805	2,210,166	199,490	2,078,291	1,963,955	761,454	38,807,434	4,695,008	(9,392,574)

**Ramsey Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing sources (uses)										
Cancellation of Accounts Receivable							(220,217)			
Transfers in	185	1,440,116	1,041,926	2,452,670	248	327,782	221,035	265,233	537,981	76,765
Transfers out	(185)	(1,440,116)	(1,041,926)	(2,452,670)	(28,347)	(358,976)	(252,317)	(307,126)	(568,231)	(216,765)
Total other financing sources (uses)	-	-	-	-	(28,099)	(31,194)	(251,499)	(41,893)	(30,250)	(140,000)
Net change in fund balances	\$ 2,587,433	\$ 811,805	\$ 2,210,166	\$ 199,490	\$ 2,050,192	\$ 1,932,761	\$ 509,955	\$ 38,765,541	\$ 4,664,758	\$ (9,532,574)

Debt service as a percentage of noncapital expenditures

	4.7%	4.3%	4.3%	4.1%	3.8%	3.7%	2.6%	2.5%	4.1%	5.3%
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Exhibit J-5

**Ramsey Board of Education
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	Interest on Investments	Transportation Fees	Tuition Revenue	Sale of Assets	Refund of		Misc.	Total
					Prior year Expenses			
2012	-	24,562	1,510,925	-	-	-	28,969	1,564,456
2013	-	23,677	1,329,177	-	-	-	22,202	1,375,056
2014	6,896	27,216	1,859,684	-	11,172	-	65,645	1,970,613
2015	-	30,941	1,906,306	-	-	-	71,148	2,008,395
2016	-	31,883	1,734,522	-	-	-	32,199	1,798,604
2017	20,534	50,679	1,923,824	-	-	-	197,216	2,192,253
2018	56,953	30,312	1,484,058	40,934	-	-	290,613	1,902,870
2019	179,600	88,695	2,258,857	-	-	-	1,041,661	3,568,813
2020	219,928	24,799	1,655,718	-	-	-	91,535	1,991,980
2021	57,140	12,545	1,440,183	-	-	-	157,128	1,666,996

Source: District Records

Ramsey Board of Education
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Assessed Value										Less: Tax-Exempt Property	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)	Assessed to Estimated Full Cash Valuations
	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Commercial	Industrial	Apartment							
2012	\$ 30,368,200	\$2,232,674,400	\$ 787,700	\$ 60,600	\$ 443,870,300	\$ 116,220,700	\$ 14,643,500	\$ 443,870,300	\$ 116,220,700	\$ 14,643,500	\$ 2,838,625,400	\$ 9,447,502	\$2,848,072,602	1.748	\$3,532,621,934	80.62%	
2013	\$ 27,718,500	\$2,237,051,300	\$ 787,700	\$ 60,000	\$ 442,433,100	\$ 115,536,600	\$ 14,643,500	\$ 442,433,100	\$ 115,536,600	\$ 14,643,500	\$2,838,230,700	\$ 84,100	\$2,838,315,400	1.752	\$3,386,000,514	83.83%	
2014	\$ 22,539,500	\$2,253,963,600	\$ 787,700	\$ 60,000	\$ 441,990,200	\$ 113,953,800	\$ 14,643,500	\$ 441,990,200	\$ 113,953,800	\$ 14,643,500	\$2,847,938,300	\$ 83,770	\$2,848,022,070	1.873	\$3,311,941,272	85.99%	
2015	\$ 19,149,500	\$2,259,341,000	\$ 787,700	\$ 60,600	\$ 444,671,400	\$ 114,908,200	\$ 14,643,500	\$ 444,671,400	\$ 114,908,200	\$ 14,643,500	\$2,853,561,900	\$ 83,770	\$2,853,645,670	1.825	\$3,394,672,734	84.06%	
2016	\$ 21,974,900	\$2,692,366,400	\$2,041,300	\$ 9,900	\$ 582,349,300	\$ 156,885,400	\$ 20,292,300	\$ 582,349,300	\$ 156,885,400	\$ 20,292,300	\$3,475,919,500	\$ 300,000	\$3,476,219,500	1.541	\$3,521,701,621	98.71%	
2017	\$ 22,402,700	\$2,693,194,700	\$2,041,300	\$284,900	\$ 580,879,600	\$ 157,397,300	\$ 20,292,300	\$ 580,879,600	\$ 157,397,300	\$ 20,292,300	\$3,476,492,800	\$ 300,000	\$3,478,957,200	1.587	\$3,409,438,542	102.04%	
2018	\$ 22,370,100	\$2,698,381,500	\$2,041,300	\$284,900	\$ 577,198,200	\$ 156,991,300	\$ 20,292,300	\$ 577,198,200	\$ 156,991,300	\$ 20,292,300	\$3,477,559,600	\$ 300,000	\$3,477,859,600	1.621	\$3,665,067,825	94.89%	
2019	\$ 20,538,900	\$2,704,733,700	\$2,120,400	\$ 18,800	\$ 579,773,200	\$ 153,471,400	\$ 20,292,300	\$ 579,773,200	\$ 153,471,400	\$ 20,292,300	\$3,480,948,700	\$ 300,000	\$3,481,248,700	1.683	\$3,539,080,503	98.37%	
2020	\$ 21,230,600	\$2,717,546,400	\$2,120,400	\$ 18,800	\$ 576,723,900	\$ 149,046,400	\$ 20,292,300	\$ 576,723,900	\$ 149,046,400	\$ 20,292,300	\$3,486,978,800	\$ 300,000	\$3,487,278,800	1.770	\$3,700,639,948	94.23%	
2021	\$ 19,626,500	\$2,724,310,500	\$4,181,000	\$ 14,100	\$ 579,231,700	\$ 163,239,300	\$ 20,292,300	\$ 579,231,700	\$ 163,239,300	\$ 20,292,300	\$3,510,895,400	\$ 300,000	\$3,511,195,400	1.790	\$3,715,315,268	94.51%	

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment 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

**Ramsey Board of Education
Direct and Overlapping Property Tax Rates
Last Ten Years**

(rate per \$100 of assessed value)

Fiscal Year Ended Dec. 31,	Ramsey Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	General Obligation			Borough of Ramsey	Bergen County	
	Basic Rate ^a	Debt Service ^b	Total Direct			
2012	1.657	0.091	1.748	0.569	0.272	2.59
2013	1.663	0.089	1.752	0.578	0.273	2.60
2014	1.703	0.085	1.788	0.617	0.276	2.68
2015	1.743	0.082	1.825	0.558	0.276	2.66
2016	1.474	0.067	1.541	0.501	0.245	2.29
2017	1.520	0.067	1.587	0.510	0.255	2.35
2018	1.572	0.049	1.621	0.520	0.025	2.17
2019	1.635	0.049	1.684	0.527	0.248	2.46
2020	1.691	0.086	1.777	0.537	0.263	2.58
2021	1.694	0.096	1.790	0.537	0.267	2.59

Source: District Records and Municipal Tax Collector

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

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

**Ramsey Board of Education
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Ramsey Interstate CTR LLC	\$ 79,755,700	1	2.27%	\$ 72,680,000	1	2.55%
Lithia Northeast Realty	\$ 57,113,400	2	1.63%	\$ 44,006,400	3	1.55%
LCN KMI Ramsey NJ LLC	\$ 47,674,800	3	1.36%	\$ 47,674,800	2	1.67%
Commercial Realty Enterprises	\$ 35,200,000	4	1.00%	\$ 32,675,000	4	1.15%
Triangle 17 Center LLC	\$ 16,500,000	5	0.47%	\$ 12,860,000	6	0.45%
500 N. Franklin Tpke	\$ 14,730,200	6	0.42%	\$ 15,075,600	5	0.53%
Ferncroft C/O H.W. Young & Assoc., Inc.	\$ 12,588,000	7	0.36%	\$ 9,002,600	9	0.32%
Ramsey Center	\$ 12,387,100	8	0.35%	\$ 11,000,000	7	0.39%
Adventures in Recreation, Inc.	\$ 12,000,000	9	0.34%	\$ 9,125,000	8	0.32%
Yankee Partners LLC	\$ 10,837,100	10	0.31%	\$ 8,031,900	10	0.28%
Total	\$ 298,786,300		8.51%	\$ 262,131,300		9.20%

Net Assessed Valuation: \$ 3,511,195,400

\$ 2,848,072,602

Source: Municipal Tax Assessor.

Exhibit J-9

**Ramsey Board of Education
Property Tax Levies and Collections
Last Ten Years**

Fiscal Year Ended June 30,	Taxes Levied for the Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	49,511,517	49,511,517	100.00%	\$ -
2013	50,087,164	50,087,164	100.00%	\$ -
2014	50,710,126	50,710,126	100.00%	\$ -
2015	51,249,826	51,249,826	100.00%	\$ -
2016	52,808,187	52,808,187	100.00%	\$ -
2017	54,330,203	54,330,203	100.00%	\$ -
2018	55,472,446	55,472,446	100.00%	\$ -
2019	57,342,821	57,342,821	100.00%	\$ -
2020	60,690,874	60,690,874	100.00%	\$ -
2021	62,363,666	62,363,666	100.00%	\$ -

Source: Municipal Tax Collector

**Ramsey Board of Education
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Temporary Note Payable	Capital Leases	Total District		
2012	19,505,000	-	-	2,500,000	-	22,005,000	2.066%	\$ 305
2013	17,580,000	-	-	2,500,000	-	20,080,000	1.886%	\$ 280
2014	15,765,000	-	-	2,500,000	-	18,265,000	1.647%	\$ 245
2015	13,915,000	-	-	-	-	13,915,000	1.196%	\$ 179
2016	12,065,000	-	-	-	-	12,065,000	1.017%	\$ 152
2017	10,200,000	-	-	-	-	10,200,000	0.833%	\$ 125
2018	8,890,000	-	-	-	-	8,890,000	0.689%	\$ 103
2019	44,627,000	-	-	-	-	44,627,000	3.352%	\$ 499
2020	49,055,000	-	-	-	-	49,055,000	Not Available	Not Available
2021	46,520,000	-	-	-	-	46,520,000	Not Available	Not Available

Source: District CAFR Schedules I-1, I-2

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

Exhibit J-11

Ramsey Board of Education
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2011	19,505,000	-	19,505,000	0.68%	\$ 270
2012	17,580,000	-	17,580,000	0.62%	\$ 245
2013	15,765,000	-	15,765,000	0.55%	\$ 212
2014	13,915,000	-	13,915,000	0.49%	\$ 179
2015	12,065,000	-	12,065,000	0.35%	\$ 152
2016	10,200,000	-	10,200,000	0.29%	\$ 125
2017	8,890,000	-	8,890,000	0.26%	\$ 103
2018	44,627,000	-	44,627,000	1.28%	\$ 499
2019	49,055,000	-	49,055,000	1.41%	Not Available
2020	46,520,000	-	46,520,000	1.32%	Not Available

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

**Ramsey Board of Education
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2021**

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt of School District as of June 30, 2021			\$ 46,520,000
Net overlapping debt of School District:			
Borough of Ramsey	100.000%	\$ 23,346,561	
County of Bergen	2.169%	<u>\$ 20,157,068</u>	
Subtotal, overlapping debt			<u>\$ 43,503,629</u>
Total direct and overlapping debt			<u><u>\$ 90,023,629</u></u>

Sources: Ramsey Municipal Finance Officer / Bergen County Treasurer's Office

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

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

Ramsey Board of Education
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2020

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 149,628,416	\$ 144,375,036	\$ 139,983,186	\$ 137,720,238	\$ 136,964,206	\$ 137,677,505	\$ 141,282,773	\$ 140,018,515	\$ 141,388,570	\$ 145,397,177
Total net debt applicable to limit	19,505,000	17,580,000	15,765,000	13,915,000	12,065,000	10,200,000	8,890,000	44,627,000	49,055,000	46,520,000
Legal debt margin	\$ 130,123,416	\$ 126,795,036	\$ 124,218,186	\$ 123,805,238	\$ 124,899,206	\$ 127,477,505	\$ 132,392,773	\$ 95,391,515	\$ 92,333,570	\$ 98,877,177
Total net debt applicable to the limit as a percentage of debt limit	13.04%	12.18%	11.26%	10.10%	8.81%	7.41%	6.29%	31.87%	34.70%	32.00%

	2020	2019	2018
Equalized valuation basis	\$ 3,700,639,948	3,539,080,503	3,665,067,825
[A] \$	10,904,788,276		
Average equalized valuation of taxable property	[A/3]		
Debt limit (4 % of average equalization value)	[B]		
Net bonded school debt	[C]		
Legal debt margin	[B-C]		

Source: Abstract of Rates and District Records CAFR Schedule J-7

a Limit set by NJSIA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

**Ramsey Board of Education
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita		Unemployment Rate ^d
			Personal Income ^c	Unemployment Rate ^d	
2012	14,757	\$ 1,064,924,148	\$ 72,164	5.90%	
2013	14,852	\$ 1,064,873,548	\$ 71,699	5.40%	
2014	14,893	\$ 1,109,230,640	\$ 74,480	4.30%	
2015	14,957	\$ 1,163,161,019	\$ 77,767	3.50%	
2016	14,944	\$ 1,186,658,208	\$ 79,407	3.30%	
2017	14,987	\$ 1,224,078,212	\$ 81,676	3.20%	
2018	14,932	\$ 1,290,184,528	\$ 86,404	2.70%	
2019	14,884	\$ 1,331,463,104	\$ 89,456	2.40%	
2020	14,811	Not Available	Not Available	7.10%	
2021	Not Available	Not Available	Not Available	Not Available	

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income - Bergen County - provided by NJ Dept of Labor and Workforce Development
- ^c Per Capita Personal Income - Bergen County - provided by NJ Dept of Labor and Workforce Development
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

**Ramsey Board of Education
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

<u>Function/Program</u>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction	239	242	243	243	241	254	253	242	260	257
Regular	41	42	42	42	42	43	44	62	46	50
Special education	-	-	-	-	-	-	-	-	-	-
Other special education	-	-	-	-	-	-	-	-	-	-
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:	-	-	-	-	-	-	-	-	-	-
Tuition	48	48	44	48	48	57	58	64	67	63
Student & instruction related services	5	5	5	5	5	5	5	4	5	6
General administrative services	17	17	17	16	19	19	19	18	16	16
School administrative services	5	5	5	5	5	5	5	6	6	6
Business administrative services	37	37	37	37	39	39	38	39	40	41
Plant operations and maintenance	5	5	5	5	5	5	5	5	5	6
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Child Care	-	-	-	-	-	-	-	-	-	-
Total	397	401	398	401	404	427	427	440	445	445

Source: District Personnel Records

Ramsey Board of Education
Operating Statistics
Last Ten Fiscal Years

Fiscal	Enrollment	Operating	Cost Per	Percentage	Pupil/Teacher Ratio		High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
					Elementary	Middle					
2012	3,020	52,441,811	17,365	#DIV/0!	13:7	11:8	11:9	3,024	2,903	-1.08%	96.00%
2013	2,971	54,386,401	18,306	5.42%	13:3	10:5	11:9	2,977	2,858	-1.55%	96.00%
2014	2,942	54,336,367	18,467	0.88%	13:7	10:5	11:9	2,942	2,831	-1.18%	96.23%
2015	2,878	56,181,238	19,521	5.71%	13:7	10:5	11:9	2,878	2,775	-2.18%	96.42%
2016	2,960	58,683,704	19,826	1.56%	13:7	10:5	11:9	2,831	2,731	-1.63%	96.47%
2017	2,768	59,977,793	21,668	9.29%	12:1	11:1	11:1	2,778	2,671	-1.87%	96.15%
2018	2,763	63,061,891	22,824	5.33%	11:1	10:1	9:1	2,767	2,660	-0.40%	96.13%
2019	2,727	66,493,356	24,383	6.83%	11:1	10:1	9:1	2,726	2,607	-1.48%	95.63%
2020	2,579	65,830,943	25,526	4.69%	11:1	9:1	10:1	2,668	2,595	-2.13%	97.26%
2021	2,579	72,580,233	28,143	10.25%	11:1	9:1	10:1	2,579	2,488	-3.34%	96.47%

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

Note: Enrollment based on annual October district count for all students attending school facilities.

- a Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule J-4
- 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)

Ramsey Board of Education
School Building Information
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>District Buildings</u>										
<u>Elementary</u>										
John Y. Dater Elementary School (Grades K-5)	71,488	71,488	71,488	71,488	71,488	71,488	71,488	71,488	71,488	71,488
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	433	412	448	443	403	414	400	384	352	360
Enrollment										
Mary A. Hubbard Elementary School (Grades K-5)	77,656	77,656	77,656	77,656	77,656	77,656	77,656	77,656	77,656	84,921
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	416	413	414	407	405	381	379	377	347	362
Enrollment										
Welsey D. Tisdale Elementary School (Grades K-5)	78,339	78,339	78,339	78,339	78,339	78,339	78,339	78,339	78,339	84,594
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	455	452	406	420	397	373	405	383	325	351
Enrollment										
<u>Middle School</u>										
Eric S. Smith Middle School (Grades 6-8)	111,122	111,122	111,122	111,122	111,122	111,122	111,122	111,122	111,122	122,322
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	745	727	742	753	755	755	742	714	651	661
Enrollment										
<u>High School</u>										
Ramsey High School (Grades 9-12)	200,520	200,520	200,520	200,520	200,520	200,520	200,520	200,520	200,520	200,520
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	971	967	924	856	870	845	837	869	838	845
Enrollment										
<u>Other</u>										
Administration Building										
Square Feet	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455	7,471	7,471
Grounds Garage										
Square Feet									3,458	3,458
Number of Schools at June 30, 2021										
Elementary = 3										
Middle School = 1										
High School = 1										
Other = 2										

Source: District records, ASSA

Note: Enrollment is based on students' enrolled within the District -- out of district students have not been included

Ramsey Board of Education
General Fund
Schedule of Required Maintenance for School Facilities
Last Ten Fiscal Years
Unaudited

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

School Facilities	Project# (s)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Ramsey High School	N/A	244,103	142,825	137,359	197,332	295,644	213,634	236,870	186,110	210,818	214,032
Eric S. Smith Middle School	N/A	150,502	135,476	148,226	186,775	150,499	85,409	77,524	111,489	70,826	108,028
John Y. Dater Elementary School	N/A	61,992	103,785	141,496	160,068	142,999	104,729	96,850	127,547	105,316	100,404
Mary A. Hubbard Elementary School	N/A	151,476	98,346	115,799	163,105	68,756	131,169	114,177	109,326	107,105	111,799
Welsey D. Tisdale Elementary School	N/A	72,300	32,200	81,040	195,760	74,178	80,298	65,084	136,275	126,263	92,930
Grand Total		\$ 680,373	\$ 512,632	\$ 623,920	\$ 903,040	\$ 732,076	\$ 615,239	\$ 590,505	\$ 670,748	\$ 620,328	\$ 627,193

**Ramsey Board of Education
Insurance Schedule
For the Fiscal Year Ended June 30, 2021
Unaudited**

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
School Alliance Insurance Fund	Property Blanket Building & Contents- Replacement Cost Values	7,700,000,000	2,500
	General Liability	5,000,000	
	Comprehensive Automobile Liability	5,000,000	1,000
	Electronic Data Processing Equipment	Included in Blanket Limit	
	Boiler & Machinery	100,000,000	
	Public Employees' Faithful Performance Blanket		
	Position Bond - Board Secretary		
	Position Bond - Assistant Board Secretary		
	Blanket Dishonesty Bond	500,000	1,000

Source: District Records

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY LLC
 CERTIFIED PUBLIC ACCOUNTANTS

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 PAUL J. CUVA, CPA, RMA, PSA
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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
 FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
 BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
 ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable President and
 Members of the Board of Education
 Borough of Ramsey School District
 County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Ramsey School District, in the County of Bergen, New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated February 1, 2022.

Internal Control Over Financial Reporting

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

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



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

Compliance and Other Matters

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

We noted certain matters that were required to be reported to the Board of Education of the Borough of Ramsey School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated February 1, 2022.

Purpose of this Report

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

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

February 1, 2022





WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE AND N.J. OMB CIRCULAR 15-08

Honorable President and
Members of the Board of Education
Borough of Ramsey School District
County of Bergen, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Borough of Ramsey School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Ramsey Board of Education’s major federal and state programs for the year ended June 30, 2021. The Borough of Ramsey Board of Education’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the Borough of Ramsey Board of Education’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally



accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 N.J. OMB Circular 15-08. Those standards, the Uniform Guidance and N.J. OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Ramsey Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the Borough of Ramsey Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Borough of Ramsey Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough of Ramsey Board of Education's internal control over compliance with the type of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Borough of Ramsey Board of Education's internal control over compliance.

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



control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Steven D. Wielkocz

Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkocz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

February 1, 2022

BOROUGH OF RAMSEY SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards

For the Fiscal Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Award Amount	Grant Period From To	Balance at June 30, 2020	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2021 (Accounts Receivable)	Due to Grantor at
General Fund:												
US Department of Education												
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	N/A	25,387	7/1/2020 6/30/2021			25,387	25,387			
Medicaid Administrative Claiming (MAC)	93.778	2005NJ5MAP	N/A	1,645	7/1/2020 6/30/2021			1,645	1,645			
FFCRA/SEMI Revenue	93.775	2005NJ5MAP	N/A	4,285	7/1/2020 6/30/2021			4,285	4,285			
Total General Fund								31,317	31,317			
US Department of Education												
Passed Through State Dept of Education:												
Special Revenue Fund												
Title I, Part A	84.010	S010A200030	ESEA-4310-21	64,006	7/1/2020 9/30/2021	(7,260)	(7,260)	55,624	77,520		(29,156)	
Title I, Part A	84.010	S010A190030	ESEA-4310-20	63,716	7/1/2019 9/30/2020	(7,260)	(7,260)	55,624	77,520		(29,156)	
Title II, Part A, Teacher/Principal Training and Recruiting	84.367	S367A200029	ESEA-4310-21	33,560	7/1/2020 9/30/2021	(17,532)	(17,532)	21,723	22,424	7,874	(10,359)	
Title II, Part A, Teacher/Principal Training and Recruiting	84.367	S367A190029	ESEA-4310-20	33,524	7/1/2019 9/30/2020	(17,532)	(17,532)	21,723	22,424	7,874	(10,359)	
Title III	84.365	S365A200030	ESEA-4310-21	12,833	7/1/2020 9/30/2021	(3,805)	(3,805)	10,469	11,588	(1,712)	(6,636)	
Title III	84.365	S365A190030	ESEA-4310-20	12,289	7/1/2019 9/30/2020	(3,805)	(3,805)	10,469	11,588	(1,712)	(6,636)	
Title III, Immigrant	84.365	S365A190030	ESEA-4310-20	4,365	7/1/2019 9/30/2020	395	(3,410)	10,469	11,588	(395)	(6,636)	
Title IV	84.369	S369A200031	ESEA-4310-21	10,000	7/1/2020 9/30/2021	(2,498)	(2,498)	9,577	7,080		(1)	
Title IV	84.369	S369A190031	ESEA-4310-20	10,000	7/1/2019 9/30/2020	(2,498)	(2,498)	9,577	7,080		(1)	
CARES ACT 2020/ESSER Non-Public Digital Divide	84.425D 84.425D	S425D200027 S377A130031		68,441 41,630	3/13/2020 10/15/2022 7/16/2020 10/31/2020			68,100 41,117	68,353 41,117		(253)	
COVID Relief Fund	21.019	S425D200027		87,037	3/1/2020 12/31/2021			109,217	109,470		(253)	
Passed through the County of Bergen: County CARES Act	21.019	S425D200027		25,000	3/1/2020 12/31/2021			87,037	87,037			
IDEA, Part B-Basic	84.027	H027A200100	IDEA-4310-21	740,095	7/1/2020 9/30/2021	(493,194)	(493,194)	940,979	652,617	85,711	(119,121)	
IDEA, Part B-Basic	84.027	H027A190100	IDEA-4310-20	729,928	7/1/2019 9/30/2020	(493,194)	(493,194)	940,979	652,617	85,711	(119,121)	
IDEA, Part B-Preschool	84.173	H173A200114	IDEA-4310-21	32,399	7/1/2020 9/30/2021	(19,899)	(19,899)	32,395	32,399		(19,903)	
IDEA, Part B-Preschool	84.173	H173A190114	IDEA-4310-20	32,829	7/1/2019 9/30/2020	(19,899)	(19,899)	973,374	685,016	85,711	(139,024)	
Total Special Revenue Fund						(543,793)	(543,793)	1,292,021	1,025,135	91,478	(185,429)	

BOROUGH OF RAMSEY SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

For the Fiscal Year ended June 30, 2021

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Award Amount	Grant Period		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2021	
					From	To					(Accounts Receivable)	Deferred Revenue
US Department of Agriculture												
Passed Through State Dept of Education:												
Enterprise Fund												
Food Distribution Program	10.555	211NJ309N1099	N/A	10,953	7/1/2020	6/30/2021		10,953	10,953			
National Breakfast Program SSO	10.553	211NJ304N1099	N/A	17,957	7/1/2020	6/30/2021		14,045	17,957	(3,912)		
National School Lunch Program SSO	10.555	211NJ304N1099	N/A	62,020	7/1/2020	6/30/2021		54,609	62,020	(7,411)		
National School Lunch Program SSO	10.555	201NJ304N1099	N/A	14,880	3/18/2020	6/30/2020	(4,280)	4,280				
Emergency Operational Cost Program-School	10.555	211NJ304N1099	N/A	324	7/1/2020	6/30/2021			324		(324)	
P-EBT Administrative Cost	10.649		N/A	614	7/1/2020	6/30/2021			614		(614)	
Total Enterprise Fund							(4,280)	83,887	91,868		(12,261)	
Total Federal Financial Assistance							\$ (548,073)	1,407,225	1,148,320	91,478	(197,690)	

See accompanying notes to the Schedules of Expenditures of Federal and State Awards.

BOROUGH OF RAMSEY SCHOOL DISTRICT
Schedule of Expenditures of State and Local Financial Awards

Year ended June 30, 2021

State Grantor/Program Titles	Project Number	Award Amount	From	To	Balance at June 30, 2020		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures Pass-through Funds	Budgetary Expenditures Direct	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2021		Memo	
					Deferred Revenue (Assets Receivable)	Due to Grantor							(Accounts Receivable)	Deferred Revenue/ Interfund Payable		Due to Grantor at
State Department of Education:																
General Fund																
Transportation Aid	495-034-5120-014	\$ 309,420	7/1/2020	6/30/2021			281,830	309,420								
Special Education Categorical Aid	495-034-5120-089	1,453,970	7/1/2020	6/30/2021			1,325,086	1,453,970								
Security Aid	495-034-5120-084	96,206	7/1/2020	6/30/2021			87,627	96,206								
Extraordinary Aid	495-034-5120-044	431,472	7/1/2020	6/30/2021				431,472			(431,472)					
Extraordinary Aid	495-034-5120-044	326,223	7/1/2020	6/30/2021				326,223								
Non Public Transportation	495-078-6060-034	12,619	7/1/2020	6/30/2021				12,619			(12,619)					
Non Public Transportation	495-078-6060-034	1,151	7/1/2020	6/30/2021				1,151								
NTE Homeless Reimbursement	100-029-6060-034	24,418	7/1/2020	6/30/2021				24,418			(24,418)					
NTE Homeless Reimbursement	100-029-6060-034	443,316	7/1/2020	6/30/2021				443,316								
Reimbursed TPAF Social Security	495-034-5094-003	1,950,432	7/1/2020	6/30/2021			1,950,432	1,950,432								
On Behalf TPAF - Post Retirement Medical	495-034-5094-001	2,231,901	7/1/2020	6/30/2021			2,231,901	2,231,901								
On Behalf TPAF Pension	495-034-5094-002	6,988,952	7/1/2020	6/30/2021			6,988,952	6,988,952								
On Behalf TPAF NCGI Premium	495-034-5094-004	132,974	7/1/2020	6/30/2021			132,974	132,974								
On-Behalf TPAF - LTDI	495-034-5094-004	2,472	7/1/2020	6/30/2021			2,472	2,472								
Total General Fund						(370,690)	13,371,964	13,634,836			(468,509)					14,005,526
Special Revenue Fund																
NJ Non-Public Aid:																
Textbook Aid	100-034-5120-064	58,464	7/1/2020	6/30/2021			58,464	58,503					19,961			38,503
Textbook Aid	100-034-5120-064	36,001	7/1/2019	6/30/2020								3				35,998
Textbook Aid	100-034-5120-064	40,637	7/1/2018	6/30/2019									117			40,248
Technology Aid	100-034-5120-373	24,588	7/1/2019	6/30/2020								844				23,537
Nursing Services	101,694	101,694	7/1/2020	6/30/2021			101,694	101,694								101,694
Security Aid	100-034-5120-509	174,475	7/1/2020	6/30/2021			174,475	173,454					1,021			173,454
Security Aid	100-034-5120-509	180,300	7/1/2019	6/30/2020								939				179,361
Handicapped Services:																
Exam & Classification	100-034-5120-066	93,847	7/1/2020	6/30/2021			93,847	72,985								72,985
Exam & Classification	100-034-5120-066	97,016	7/1/2019	6/30/2020			10,285					5,943				91,073
Corrective Speech	100-034-5120-066	20,779	7/1/2020	6/30/2021			20,779	14,400								20,779
Corrective Speech	100-034-5120-066	22,603	7/1/2019	6/30/2020			2,407					4,557				18,046
Supplementary Inst.	100-034-5120-066	75,282	7/1/2020	6/30/2021			75,282	68,484								75,282
Supplementary Inst.	100-034-5120-066	86,938	7/1/2019	6/30/2020			9,191					8,587				78,351
Auxiliary Services:																
Compensatory Education	100-034-5120-067	58,351	7/1/2020	6/30/2021			58,351	32,621								32,621
Compensatory Education	100-034-5120-067	48,834	7/1/2019	6/30/2020			5,054					3,163				45,671
English as a Second Language	100-034-5120-067	827	7/1/2019	6/30/2020			103					827				1,690
Home Instruction	100-034-5120-067	1,690	7/1/2019	6/30/2020			1,690									
Total Special Revenue Fund						(28,730)	24,980	611,622	502,141			207		24,863		1,029,293
Debt Service Fund																
Debt Service Aid Type II	495-034-5121-075	759,171	7/1/2020	6/30/2021			759,171	759,171								759,171
Total Debt Service Fund							759,171	759,171								759,171

BOROUGH OF RAMSEY SCHOOL DISTRICT
Schedule of Expenditures of State and Local Financial Awards

Year ended June 30, 2021

State Grantor/Program Titles	Grant or State Project Number	Award Amount	Grant Period		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures Pass through Funds	Budgetary Expenditures Direct	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2021		Memo
			From	To							(Accounts Receivable)	Deferred Revenue/ Interfund Payable	
Enterprise Fund													
State Department of Agriculture													
National School Lunch Program SSO (State Sh. 100-010-3350-023)		3,814	7/1/2020	6/30/2021		3,009	3,814				(805)		3,814
National School Lunch Program SSO (State Sh. 100-010-3350-023)		277	3/18/2020	6/30/2020		68							277
Total Enterprise Fund						3,077	3,814				(805)		4,091
Total State Financial Assistance						14,745,834	14,899,962	207	24,863	(469,314)		81,075	15,798,081
Less: On-Behalf TPAF Pension System Contributions							2,231,901						
On Behalf TPAF - Post Retirement Medical	495-034-5094-001						6,988,952						
On Behalf TPAF Pension	495-034-5094-002						132,974						
On Behalf TPAF NCGI Premium	495-034-5094-004						2,472						
On-Behalf TPAF - LTDI	495-034-5094-004						9,356,299						
Total State Financial Assistance							5,543,663						

See accompanying notes to the Schedules of Expenditures of Federal and State Awards.

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal and State Awards are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(D) and 1(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$8,404) for the general fund and \$138,026 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$31,317	\$13,626,432	\$13,657,749
Special Revenue Fund	1,099,895	565,407	1,665,302
Debt Service Fund		759,171	
Food Service Fund	<u>91,868</u>	<u>3,814</u>	<u>95,682</u>
Total Awards and Financial Assistance	<u>\$1,223,080</u>	<u>\$14,954,824</u>	<u>\$16,177,904</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2021.

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$9,356,299 of on-behalf payments is excluded from major program determination.

NOTE 7. INDIRECT COST RATE

The Borough of Ramsey School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$77,520
Title II, Part A: <i>Supporting Effective Instruction</i>	22,424
Title III: <i>English Language Acquisition State Grants</i>	11,588
Title IV: <i>Student Support and Academic Enrichment</i>	<u>7,080</u>
Total	<u>\$118,612</u>

**BOROUGH OF RAMSEY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

Noncompliance material to basic financial statements noted? _____ yes X no

Federal Awards

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____ 84.027	(B) _____ H027A180100	I.D.E.A. Cluster: _____ I.D.E.A., Part B - Basic Regular
_____ 84.173	(B) _____ H173A180114	_____ I.D.E.A., Part B - Preschool

Note: (B) - Tested as Major Type B Program.

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ X yes _____ no

**BOROUGH OF RAMSEY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(continued)**

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

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes _____ no

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

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08? _____ yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5121-075 (A)	Debt Service Aid Type II
495-034-5120-044 (B)	Extraordinary Aid

Note: (A) - Tested as Major Type A Program.

(B) - Tested as Major Type B Program.

**BOROUGH OF RAMSEY SCHOOL DISTRICT
SCHEDULE OF FINANCIAL, FEDERAL AND STATE FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Section II - Financial Statement Findings

NONE

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

STATE AWARDS

NONE

**BOROUGH OF RAMSEY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

STATUS OF PRIOR YEAR FINDINGS

NONE