

**SCHOOL DISTRICT
OF
COLLINGSWOOD**

**Collingswood Board of Education
Collingswood, New Jersey**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

**Comprehensive Annual
Financial Report**

of the

Collingswood Board of Education

Collingswood, New Jersey

For the Fiscal Year Ended June 30, 2020

**Prepared by
Collingswood Board of Education
Finance Department**

Collingswood School District

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Introductory Section



Collingswood Public Schools

It's Where You Want to Learn



200 LEES AVENUE, COLLINGSWOOD, NJ 08108
Telephone (856) 962-5700
Fax (856) 962-5723

SCOTT A. OSWALD, Ed.D.
Superintendent of Schools

BETH ANN COLEMAN
Business Administrator/Board Secretary

December 18, 2020

Honorable President and
Members of the Board of Education
Collingswood School District
County of Camden
Collingswood, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Collingswood School District (District) for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a roster of officials and consultants. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as amended in 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the State Treasury Circular Letter 98-07, "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, regulations, findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

Collingswood School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Collingswood Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels PreK through 12. These include regular, vocational, and English as a Second Language for limited English speakers and special education for disabled youngsters. The District completed the 2019-20 fiscal year with an enrollment of 2,182 students, which is 68 students more than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal Year</u>	<u>Average Daily Enrollment Student Enrollment</u>	<u>Percent Change</u>
2015-2016	1,942	4%
2016-2017	1,955	.6%
2017-2018	1,993	2%
2018-2019	2,114	6%
2019-2020	2,233	6%

2. ECONOMIC CONDITION AND OUTLOOK

The Borough of Collingswood continues to remain focused on its goal of maintaining existing ratables while examining ways to attract new ventures. Neighborhood redevelopment efforts continue to provide resources for community members to maintain their properties. The Borough uses the business improvement districts to provide funding for professional services to make the business districts a competitive environment. The program to convert multi-family dwellings back to sing-family homes continues to promote long-term family community commitment. The Haddon Avenue merchant area is thriving and includes a variety of dining and shopping opportunities. This area has become know throughout south Jersey and attracts nonresidents as well as residents to experience the restaurants and shopping opportunities. The continued efforts of the Borough suggest preservation of a standard of living the community has come to expect.

3. MAJOR INITIATIVES

The Collingswood Public School District will pursue the following initiatives during the 2019-20 school year:

District:

- The board of education will continue to review cost saving measures and potential for shared services. The Collingswood Public Schools provide:
 - Custodial and Maintenance services to Oaklyn
 - Child Study Team services to Oaklyn
 - Technology services to Oaklyn
 - Administrative services to Oaklyn
 - Business office services to Oaklyn
 - Curriculum and Professional Development services to Oaklyn
 - As needed Maintenance services to the following school districts:
 - Bellmawr
 - Clementon
 - Haddon Township
 - Mount Ephraim
 - Audubon
 - Stratford
 - Brooklawn
 - Woodlynne

Collingswood continues to explore areas for sharing services in the area in order to limit our tax impact on the citizens while continuing to provide services and programming for our pupils.

We will continue to optimize our resources to encourage the effective use of technology and energy-efficient/sustainable practices.

In October 2018, to meet the needs of the parents in Collingswood, the District applied for and received funding for full day preschool under the Preschool Expansion Aid funding from the New Jersey Department of Education. In January 2019, Collingswood welcomed 42 preschoolers. The increase in enrollment is due to the popularity of this initiative.

Looking forward, we shall:

- Continue to offer STEM- centered, problem solving courses.
- Continue to maintain our facilities.
- Implement trauma informed practices.

4. INTERNAL ACCOUNTING CONTROLS

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, 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 Borough of Collingswood. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end either are canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2020.

6. ACCOUNTING SYSTEM AND REPORTS

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

7. 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.

8. 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.

9. OTHER INFORMATION

Independent Audit:

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso & Stewart, CPAs, was selected by the Board’s finance committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as amended in 1996 and the related OMB Circular A-133, the State Treasury Circular Letter 98-07. The auditor’s report on the general purpose financial statements and the combining and individual fund statements and schedules are 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.

10. ACKNOWLEDGEMENTS

We would like to express our appreciation to everyone involved in the audit process. The audit was completed in a timely manner without inconveniences or interruptions to the regular operation of the business office. We value the efforts of our Finance Committee as they work with District administrators in the preparation of the budget and the hard work and dedication of the entire Board as they seek to provide fiscal accountability to the citizens and taxpayers of Collingswood.

Respectfully submitted,



Scott A. Oswald
Superintendent of Schools

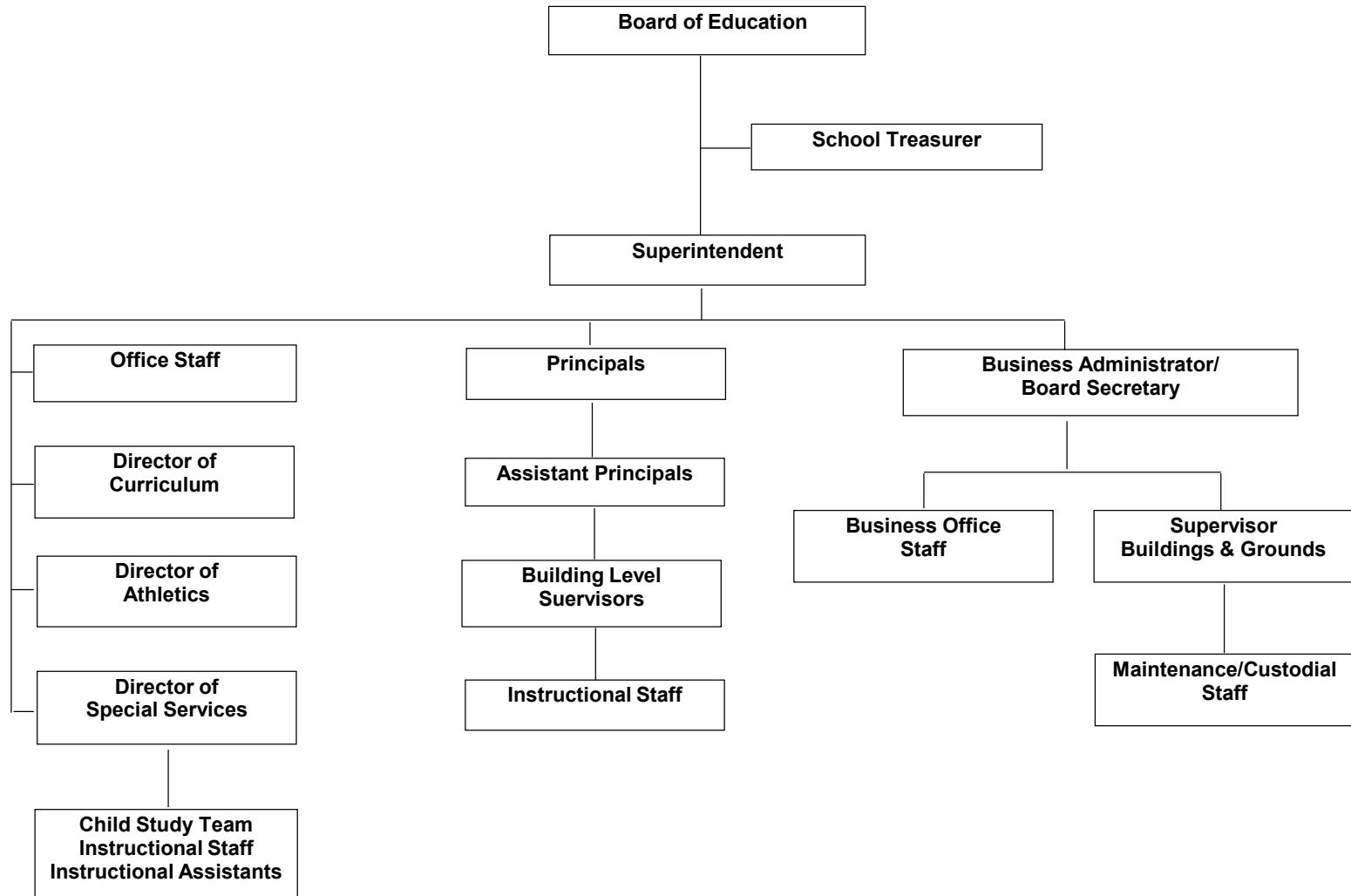


Beth Ann Coleman
Board Secretary/Business Administrator

SAO/BAC:ch

COLLINGSWOOD BOARD OF EDUCATION

Organizational Chart



COLLINGSWOOD SCHOOL DISTRICT

Roster of Officials June 30, 2020

Members of the Board of Education:

Term Expires

Fiona Henry, President	2020
Regan Kaiden, Vice President	2021
Clinton Conner	2022
Antonina Miller	2020
Mary Severino	2021
Christine Sheridan-Celia	2021
Sarah Mello	2022
Siria Rivera	2022

Members of the Board of Education - Sending Districts:

William Stauts, Oaklyn	2020
Heidemarie Wood, Woodlynne	2020

Other Officials:

Scott A. Oswald, Superintendent
Beth Ann Coleman, Business Administrator/Board Secretary
Joseph Betley, Esq. Solicitor
Inverso & Stewart LLC, Auditors
Garrison Architects, Architects

**COLLINGSWOOD SCHOOL DISTRICT
Consultants and Advisors**

Audit Firm

Inverso & Stewart, LLC
651 Route 73 North, Suite 402
Marlton, NJ 08053

Attorney

Capehart & Scatchard, P.A.
Joseph Betley, Esq.
8000 Midlantic Drive
Mount Laurel, NJ 08054

Architect

Garrison Architects
713 Creek Road
Bellmawr, NJ 08031

Official Depository

1st Colonial National Bank
1040 Haddon Avenue
Collingswood, NJ 08108

Financial Section

INVERSO & STEWART, LLC
Certified Public Accountants

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-Member of-
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Collingswood School District
County of Camden
Collingswood, New Jersey

Report on the Financial Statements

I 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 Collingswood School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Collingswood School District, in the County of Camden, State of New Jersey, as of June 30, 2020, and the respective changes in financial position and where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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, schedule of the School District's proportionate share of the net pension liability and schedule of the School District's contributions, schedule of the State's proportionate share of the net OPEB liability associated with the School District and changes in the total OPEB liability and related ratios as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Collingswood School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedules of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 18, 2020 on my consideration of the Collingswood School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Collingswood School District's internal control over financial reporting and compliance.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 18, 2020

Required Supplementary Information - Part I

Management's Discussion and Analysis

**Collingswood School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020**

As management of the Board of Education of the Borough of Collingswood, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the School District did not exceed its liabilities at the close of the most recent fiscal year by \$7,812,350 (*net position*) due to the adoption and presentation of GASB 68.
- Governmental activities have an unrestricted net position deficit of \$11,448,321. The accounting treatments in the governmental funds for compensated absences payable, and the last state aid payment, the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance and the adoption and presentation of GASB 68 are responsible for this deficit balance.
- The total net position of the School District increased by \$951,360 or 10.86% from the prior fiscal year-end balance. The majority of the increase is due the payment of long-term debt obligations, revaluation of fixed assets and the change in net pension liability.
- Fund balance of the School District's governmental funds decreased by \$101,596 resulting in an ending fund balance of \$4,322,329. This decrease was primarily due to a decrease in tuition revenues received.
- Business-type activities have unrestricted net position of \$148,508 which may be used to meet the School District's ongoing obligations of the food service operations.
- The School District's long-term obligations decreased by \$1,505,680 which is the net result of the required payment on long-term obligations, change in compensated absences and the change in net pension liability.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

Governmental funds account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

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

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

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

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

The School District's enterprise funds (Food Service Fund and Summer Theater) are listed individually and are considered to be major funds.

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

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2020. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2020.

The liabilities of the primary government activities exceeded assets by \$8,025,616 with an unrestricted deficit balance of \$11,448,321. As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, accrued interest payable, the last two state aid payments and the adoption of GASB 68. The net position of the primary government does not include internal balances.

A deficit net investment in land, improvements, buildings, equipment and vehicles of \$1,163,851 which provide the services to the School District's 2,233 public school students, represents 14.50% of the School District's deficit net position. Net position of \$4,586,556 have been restricted as follows:

Reserved for future budget appropriation	\$ 1,658,201
Reserved for encumbrances	\$ 319,978
Designated for subsequent budget	\$ 1,210,654
Capital reserve	\$ 946,348
Maintenance	<u>\$ 451,375</u>
Total	\$ 4,586,556

**Collingswood School District
Comparative Summary of Net Assets
As of June 30, 2020 and 2019**

	Governmental Activities		Business-Type Activities		District-Wide	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current assets	\$ 5,090,400	\$ 5,106,838	\$ 204,994	\$ 185,430	\$ 5,295,394	\$ 5,292,268
Capital assets	9,431,149	9,034,228	64,758	80,978	9,495,907	9,115,206
Total assets	14,521,549	14,141,066	269,752	266,408	14,791,301	14,407,474
Deferred Outflows of						
Resources	1,492,045	2,343,148			1,492,045	2,343,148
Defeasance losee	131,765	144,941			131,765	144,941
LIABILITIES						
Current liabilities	2,286,158	2,035,012	56,486	17,079	2,342,644	2,052,091
Noncurrent liabilities	18,592,688	20,201,040			18,592,688	20,201,040
Total Liabilities	20,878,846	22,236,052	56,486	17,079	20,935,332	22,253,131
Deferred Inflows of						
Resources	3,292,129	3,406,142			3,292,129	3,406,142
Net Position	\$ (8,025,616)	\$ (9,013,039)	\$ 213,266	\$ 249,329	\$ (7,812,350)	\$ (8,763,710)
Net Position Consists of:						
Net investment in						
Capital Assets	(1,163,851)	(2,420,772)	64,758	80,978	(1,099,093)	(2,339,794)
Restricted Assets	4,586,556	4,713,849			4,586,556	4,713,849
Unrestricted Assets	(11,448,321)	(11,306,116)	148,508	168,351	(11,299,813)	(11,137,765)
Net Position	\$ (8,025,616)	\$ (9,013,039)	\$ 213,266	\$ 249,329	\$ (7,812,350)	\$ (8,763,710)

Governmental Activities

Governmental activities increased the net position of the School District by \$987,423 during the current fiscal year. The increase in net assets for governmental activities is due to the following:

- Results of operations in the General Fund of (\$101,596)
- Repayment of Long-Term Debt of \$860,000
- Increase in Compensated Absences of \$131,225
- Net Pension differences of (\$776,905)

Business-type Activities

Business-type activities decreased the School District's net position by \$36,063. Key elements of the increase in net position for business-type activities are as follows:

- The Food Service had a net loss of \$39,130
- The Summer Theater had a net gain of \$3,067

Collingswood School District
Comparative Schedule of Changes in Net Assets
As of and for the Fiscal Year Ended June 30, 2020 and 2019

	Governmental Activities		Business-Type Activities		District-Wide	
	2020	2019	2020	2019	2020	2019
Revenues:						
Charges for services	\$ 6,655,543	\$ 6,415,433	\$ 187,305	\$ 266,579	\$ 6,842,848	\$ 6,682,012
Operating Grants and contributions	16,728,335	16,439,633	414,068	424,994	17,142,403	16,864,627
Property taxes	17,916,912	17,347,976			17,916,912	17,347,976
State aid - unrestricted	10,634,586	10,639,679			10,634,586	10,639,679
Other revenues	622,206	370,341	611	690	622,817	371,031
Total Revenues	52,557,582	51,213,062	601,984	692,263	53,159,566	51,905,325
Expenses:						
Governmental Activities:						
Instruction	18,703,277	17,386,138			18,703,277	17,386,138
Tuition	679,276	645,776			679,276	645,776
Related Services	4,921,695	4,473,931			4,921,695	4,473,931
Administrative Services	2,645,921	2,559,035			2,645,921	2,559,035
Operations and Maintenance	3,371,385	3,917,646			3,371,385	3,917,646
Transportation	600,533	569,659			600,533	569,659
Employee benefits	19,913,542	20,730,545			19,913,542	20,730,545
Special Schools	308,158	237,282			308,158	237,282
Interest on debt	413,196	445,863			413,196	445,863
Other	13,176	13,177			13,176	13,177
Business-Type Activities:						
Food Service			620,864	692,422	620,864	692,422
Summer Theater			17,183	17,782	17,183	17,782
Total Expenses	51,570,159	50,979,052	638,047	710,204	52,208,206	51,689,256
Increase (Decrease) in Net Position before transfers	987,423	234,010	(36,063)	(17,941)	951,360	216,069
Transfers						
Change in Net Position	987,423	234,010	(36,063)	(17,941)	951,360	216,069
Net Position, July 1	(9,013,039)	(9,247,049)	249,329	267,270	(8,763,710)	(8,979,779)
Net Position, June 30	\$ (8,025,616)	\$ (9,013,039)	\$ 213,266	\$ 249,329	\$ (7,812,350)	\$ (8,763,710)

Financial Analysis of the Governmental Funds

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District’s governmental funds reported a combined ending fund balance of \$4,322,329 a decrease of \$101,596 in comparison with the prior year. The decrease is due to decreased tuition income.

The unassigned fund balance for the School District at the end of the fiscal year includes a combination of an unassigned fund balance deficit for the General Fund of \$264,227. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed (1) as restricted cash reserved for future capital outlay expenditures \$946,348, (2) maintenance reserve \$451,376, (3) appropriated as a revenue source in the subsequent year’s budget \$1,210,654, (4) reserved for encumbrances \$319,978 (5) reserved for future budget appropriation in accordance with state statute \$1,658,201.

The general fund is the chief operating fund of the School District. As discussed earlier, the deficit balance in the unreserved fund balance is due, primarily, to the accounting treatment of the last state aid payment as discussed in Note 19 of the notes to the basic financial statements, and state statutes that prohibit New Jersey school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

General Fund Budgetary Highlights

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$737,588, while total fund balance (budgetary basis) was \$5,324,144. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$40,845,790. Unassigned fund balance (budgetary basis) represents 1.81% of expenditures while total fund balance (budgetary basis) represents 13.03% of that same amount.

Capital Asset and Debt Administration

The School District’s investment in capital assets for its governmental and business-type activities as of June 30, 2020, totaled \$9,495,907 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, improvements, buildings, equipment and vehicles. There was a increase in the District’s investment in capital assets for the current fiscal year of \$380,701 or 4.18%. The increase is due to an increase improvements and equipment net of accumulated depreciation.

Collingswood School District Capital Asset (net of accumulated depreciation) June 30, 2020 and 2019

	Governmental Activities		Business-Type Activities		District-Wide	
	2020	2019	2020	2019	2020	2019
Land	\$ 390,040	\$ 390,040	\$ -	\$ -	\$ 390,040	\$ 390,040
Site Improvements	781,207	596,920			781,207	596,920
Building and Building Improvements	7,167,486	6,957,946			7,167,486	6,957,946
Equipment	949,966	929,546	64,758	80,978	1,014,724	1,010,524
Vehicles	142,450	159,776			142,450	159,776
Net Assets	<u>\$ 9,431,149</u>	<u>\$ 9,034,228</u>	<u>\$ 64,758</u>	<u>\$ 80,978</u>	<u>\$ 9,495,907</u>	<u>\$ 9,115,206</u>

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt – During the fiscal year ended June 30, 2020, the School District had \$10,595,000 in serial bonds payable, \$514,023 in compensated absences and \$8,446,337 in net pension liability.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$43,088,684 with a remaining borrowing capacity of \$32,493,684.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7, 9 and 14) of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2020-2021 fiscal year.

- The Board of Education is determined to continue to offer a lean and efficient budget while meeting the needs of our community.
- The Board of Education continues to review cost saving measures and potential for shared services. The Collingswood Public Schools provide:
 - Custodial and Maintenance services to Oaklyn
 - Child Study Team services to Oaklyn
 - Technology services to Oaklyn
 - Administrative services to Oaklyn
 - Business office services to Oaklyn
 - Maintenance services to our neighboring districts on a time and materials basis as requested. Those Districts include: Mount Ephraim, Clementon, Bellmawr, Stratford, Haddon Township, Brooklawn and Audubon.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Collingswood School District Business Administrator, 200 Lees Avenue, Collingswood, New Jersey, 08108, telephone number (856) 962-5720.

Basic Financial Statements

District-Wide Financial Statements

COLLINGSWOOD SCHOOL DISTRICT
Statement of Net Position
June 30, 2020

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 3,079,498	\$ 158,665	\$ 3,238,163
Receivables, net	613,178	25,934	639,112
Inventory		20,395	20,395
Restricted cash and cash equivalents	1,397,724		1,397,724
Capital assets, net (Note 5)	<u>9,431,149</u>	<u>64,758</u>	<u>9,495,907</u>
Total Assets	<u>14,521,549</u>	<u>269,752</u>	<u>14,791,301</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	1,492,045		1,492,045
Defeasance loss	<u>131,765</u>		<u>131,765</u>
Total deferred outflows of resources	<u>1,623,810</u>	<u>-</u>	<u>1,623,810</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:	<u>16,145,359</u>	<u>269,752</u>	<u>16,415,111</u>
LIABILITIES:			
Payable to state government	59,373		59,373
Unearned revenue	193,290	14,907	208,197
Accounts payable			
Related to pensions	523,651		523,651
Other	553,836	3,151	556,987
Internal balances	(38,428)	38,428	
Accrued interest payable	31,764		31,764
Noncurrent liabilities:			
Due within one year	962,672		962,672
Due beyond one year	<u>18,592,688</u>		<u>18,592,688</u>
Total Liabilities	<u>20,878,846</u>	<u>56,486</u>	<u>20,935,332</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows of resources from pensions	<u>3,292,129</u>		<u>3,292,129</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:	<u>24,170,975</u>	<u>56,486</u>	<u>24,227,461</u>
NET POSITION:			
Net investment in capital assets	(1,163,851)	64,758	(1,099,093)
Restricted for:			
Capital projects	946,348		946,348
Other purposes	3,640,208		3,640,208
Unrestricted (Deficit)	<u>(11,448,321)</u>	<u>148,508</u>	<u>(11,299,813)</u>
Total Net Position	<u>\$ (8,025,616)</u>	<u>\$ 213,266</u>	<u>\$ (7,812,350)</u>

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

COLLINGSWOOD SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 13,377,416	\$ 6,655,543	\$ 1,588,587	\$ -	\$ (5,133,286)	\$ -	\$ (5,133,286)
Special Education	3,554,056		425,463		(3,128,593)		(3,128,593)
Other instruction	1,771,805				(1,771,805)		(1,771,805)
Support Services:							
Tuition	679,276				(679,276)		(679,276)
Student & instruction related services	4,921,695		722,895		(4,198,800)		(4,198,800)
General administrative services	712,923				(712,923)		(712,923)
School administrative services	1,495,713				(1,495,713)		(1,495,713)
Central administrative services	437,285				(437,285)		(437,285)
Plant operations and maintenance	3,371,385				(3,371,385)		(3,371,385)
Pupil transportation	600,533				(600,533)		(600,533)
Unallocated employee benefits	19,913,542		13,991,390		(5,922,152)		(5,922,152)
Special schools	11,128				(11,128)		(11,128)
Transfer to charter schools	297,030				(297,030)		(297,030)
Interest on long-term debt	413,196				(413,196)		(413,196)
Unallocated	13,176				(13,176)		(13,176)
Total Governmental Activities	<u>51,570,159</u>	<u>6,655,543</u>	<u>16,728,335</u>	<u>-</u>	<u>(28,186,281)</u>	<u>-</u>	<u>(28,186,281)</u>
Business-Type Activities:							
Food Service	620,864	167,055	414,068			(39,741)	(39,741)
Summer Theater	17,183	20,250				3,067	3,067
Flip Tech						-	-
Total Business-Type Activities	<u>638,047</u>	<u>187,305</u>	<u>414,068</u>			<u>(36,674)</u>	<u>(36,674)</u>
Total Primary Government	<u>\$ 52,208,206</u>	<u>\$ 6,842,848</u>	<u>\$ 17,142,403</u>	<u>\$ -</u>	<u>(28,186,281)</u>	<u>(36,674)</u>	<u>(28,222,955)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes, net					16,641,350		16,641,350
Taxes levied for debt service					1,275,562		1,275,562
Federal and State aid not restricted					10,634,586		10,634,586
Investment Earnings					4,467	611	5,078
Miscellaneous Income					617,739		617,739
Transfers							
Total general revenues, special items, extraordinary items and transfers					<u>29,173,704</u>	<u>611</u>	<u>29,174,315</u>
Change in Net Position					<u>987,423</u>	<u>(36,063)</u>	<u>951,360</u>
Net Position -- July 1, 2019					<u>(9,013,039)</u>	<u>249,329</u>	<u>(8,763,710)</u>
Net Position -- June 30, 2020					<u>\$ (8,025,616)</u>	<u>\$ 213,266</u>	<u>\$ (7,812,350)</u>

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

Fund Financial Statements

COLLINGSWOOD SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2020

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 3,061,147	\$ 18,351	\$ -	\$ -	\$ 3,079,498
Receivables, net:					
State aid	161,592	12,346			173,938
Federal		296,536			296,536
Other governmental units	79,185				79,185
Other accounts receivable	27,845				27,845
Interfund	74,102	1			74,103
Restricted assets:					
Cash and cash equivalents	1,397,724				1,397,724
Total Assets	<u>\$ 4,801,595</u>	<u>\$ 327,234</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,128,829</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	420,901	132,935			553,836
Intergovernmental payable - State		59,373			59,373
Interfund payable	1				1
Unearned revenues	58,364	134,926			193,290
Total Liabilities	<u>479,266</u>	<u>327,234</u>			<u>806,500</u>
Fund Balances:					
Restricted for:					
Capital reserve	946,348				946,348
Maintenance reserve	451,375				451,375
Excess surplus	1,658,201				1,658,201
Excess surplus - designated for subsequent year's expenditures	1,210,654				1,210,654
Assigned to:					
Year-end encumbrances	319,978				319,978
Unassigned	(264,227)				(264,227)
Total Fund Balances	<u>4,322,329</u>				<u>4,322,329</u>
Total Liabilities and Fund Balances	<u>\$ 4,801,595</u>	<u>\$ 327,234</u>	<u>\$ -</u>	<u>\$ -</u>	

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 \$34,356,677 and the accumulated depreciation is \$24,925,528. 9,431,149

The difference between the reacquisition price and the net carrying value of old debt (bonds payable) is reported as a deferred outflow of resources. 131,765

Accounts payable related to the April 1, 2021 required PERS contribution that is not to be liquidated with current financial resources. (523,651)

The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred Outflows of resources from Pensions	1,492,045	
Net Pension Liability	(8,446,337)	
Deferred Inflows of resources from Pensions	(3,292,129)	(10,246,421)

The following long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds:

General Obligation Bonds	(10,595,000)	
Accrued Interest Payable	(31,764)	
Compensated Absences Payable	(514,023)	(11,140,787)

Net Position of Governmental Activities **\$ (8,025,616)**

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

COLLINGSWOOD SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	\$ 16,641,350	\$ -	\$ -	\$ 1,275,562	\$ 17,916,912
Tuition charges	6,655,543	-	-	-	6,655,543
Interest earned	4,467	-	-	-	4,467
Miscellaneous	617,739	-	-	-	617,739
Total local sources	23,919,099	-	-	1,275,562	25,194,661
State sources	16,773,407	1,872,208	-	-	18,645,615
Federal sources	51,688	1,030,666	-	-	1,082,354
Total Revenues	40,744,194	2,902,874	-	1,275,562	44,922,630
EXPENDITURES:					
Current expense:					
Regular instruction	11,159,008	1,538,587	-	-	12,697,595
Special education instruction	3,128,593	425,463	-	-	3,554,056
Other instruction	1,771,805	-	-	-	1,771,805
Support services and undistributed costs:					
Tuition	679,276	-	-	-	679,276
Student & instruction related services	4,198,800	722,895	-	-	4,921,695
General administrative services	655,816	-	-	-	655,816
School administrative services	1,495,713	-	-	-	1,495,713
Central administrative services	437,285	-	-	-	437,285
Plant operations and maintenance	3,188,042	-	-	-	3,188,042
Pupil transportation	600,533	-	-	-	600,533
Unallocated employee benefits	12,008,241	364,779	-	-	12,373,020
Capital outlay	1,065,670	-	-	-	1,065,670
Special schools	11,128	-	-	-	11,128
Transfer to charter schools	297,030	-	-	-	297,030
Redemption of principal	-	-	-	860,000	860,000
Interest	-	-	-	415,562	415,562
Total Expenditures	40,696,940	3,051,724	-	1,275,562	45,024,226
Excess (deficiency) of revenues over (under) expenditures	47,254	(148,850)	-	-	(101,596)
Other Financing Sources (Uses):					
Transfers in	-	148,850	-	-	148,850
Transfers out	(148,850)	-	-	-	(148,850)
Total other financing sources (uses)	(148,850)	148,850	-	-	-
Net change in fund balance	(101,596)	-	-	-	(101,596)
Fund balance - July 1, 2019	4,423,925	-	-	-	4,423,925
Fund balance - June 30, 2020	\$ 4,322,329	\$ -	\$ -	\$ -	\$ 4,322,329

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

COLLINGSWOOD SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2020

Total net change in fund balances - governmental funds (from B-2) \$ (101,596)

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

Governmental Funds report capital outlays 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 current period.

Depreciation expense	\$ (571,066)	
	(1,787)	
Fixed assets additions	969,774	396,921

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 860,000

Deferred loss on refunding arising from the issuance of the refunding school bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. (13,176)

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. This amount is the net effect of the difference in the treatment of interest on long-term debt 2,366

Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities. (25,867)

In the statement of activities, certain operating expenses, (e.g. compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+) (131,225)

Change in Net Position of Governmental Activities \$ 987,423

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

COLLINGSWOOD SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Maintenance Services
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 148,762	\$ 9,903	\$ 28,326
Intergovernmental receivables:			
State Aid	1,954	-	-
Federal Aid	23,980	-	-
Other	-	-	9,824
Inventories	20,395	-	-
Total current assets	<u>195,091</u>	<u>9,903</u>	<u>38,150</u>
Noncurrent Assets:			
Equipment	275,456	-	-
Less - accumulated depreciation	<u>(210,698)</u>	<u>-</u>	<u>-</u>
Total Noncurrent Assets	<u>64,758</u>	<u>-</u>	<u>-</u>
Total Assets	<u>259,849</u>	<u>9,903</u>	<u>38,150</u>
LIABILITIES:			
Current liabilities:			
Interfund payable	38,428	-	35,612
Accounts payable	3,151	-	2,538
Unearned revenue	<u>14,907</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>56,486</u>	<u>-</u>	<u>38,150</u>
NET POSITION:			
Net investment in capital assets	64,758	-	-
Unrestricted	<u>138,605</u>	<u>9,903</u>	<u>-</u>
Total Net Position	<u>\$ 203,363</u>	<u>\$ 9,903</u>	<u>\$ -</u>

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

COLLINGSWOOD SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

	Business-Type Activities		Governmental
	Enterprise Funds		Activities
	Food	Summer	Internal Service
	Service	Theater	Funds
	Maintenance		Funds
Operating Revenues:			
Charges for services:			
Daily sales - reimbursable programs	\$ 80,049	\$ -	\$ -
Daily sales - non-reimbursable programs	84,619	-	-
Maintenance services	-	-	979,721
Miscellaneous	-	20,250	-
Special functions	2,387	-	-
Total Operating Revenues	<u>167,055</u>	<u>20,250</u>	<u>979,721</u>
Operating Expenses:			
Cost of sales-Reimbursable	196,621	-	-
Cost of sales-Nonreimbursable	37,407	-	-
Salaries	197,334	11,000	-
Personal services - employee benefits	63,856	-	-
Supplies	24,478	1,861	-
Purchased services	49,496	4,322	-
Other costs	35,452	-	979,721
Depreciation	16,220	-	-
Total Operating Expenses	<u>620,864</u>	<u>17,183</u>	<u>979,721</u>
Operating Income (Loss)	<u>(453,809)</u>	<u>3,067</u>	<u>-</u>
Nonoperating Revenues (Expenses):			
State sources:			
State school lunch program	7,255	-	-
Federal sources:			
National school lunch program	262,956	-	-
National school breakfast program	107,055	-	-
Food distribution program	36,802	-	-
Interest on investments	611	-	-
Total Nonoperating Revenues (Expenses)	<u>414,679</u>	<u>-</u>	<u>-</u>
Change in Net Position	(39,130)	3,067	-
Net Position - July 1, 2019	<u>242,493</u>	<u>6,836</u>	<u>-</u>
Net Position - June 30, 2020	<u>\$ 203,363</u>	<u>\$ 9,903</u>	<u>\$ -</u>

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

COLLINGSWOOD SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

	Business-Type Activities		Governmental
	Enterprise Funds		Activities
	Food	Summer	Internal Service
	Service	Theater	Funds
	Maintenance		Funds
Cash Flows from Operating Activities:			
Cash receipts from customers	\$ 174,933	\$ 9,882	\$ 974,210
Cash receipts from vendor	-	318	-
Cash payments to employees for services	(220,914)	(11,000)	(1,353,844)
Cash payments to suppliers for goods and services	(311,662)	(6,183)	-
Net cash used by operating activities	(357,643)	(6,983)	(379,634)
Cash Flows from Noncapital Financing Activities:			
Cash received from state sources	5,624	-	-
Cash received from federal sources	366,020	-	-
Net cash provided by noncapital financing activities	371,644	-	-
Cash Flow Provided by Investing Activities:			
Interest on cash equivalents	611	-	-
Net increase (decrease) in cash and cash equivalents	14,612	(6,983)	(379,634)
Cash and cash equivalents - July 1, 2019	134,150	16,886	407,960
Cash and cash equivalents - June 30, 2020	\$ 148,762	\$ 9,903	\$ 28,326
Reconciliation of operating income (loss)			
to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (453,809)	\$ 3,067	\$ -
Adjustments to reconcile operating income (loss)			
to cash provided by (used for) operating activities:			
Depreciation	16,220	-	-
Commodities	36,802	-	-
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	-	-	(5,510)
(Increase) decrease in inventory	(6,313)	-	-
Increase (decrease) in interfund payable	38,428	-	(374,213)
Increase (decrease) in unearned revenue	7,878	(10,050)	-
Increase (decrease) in accounts payable	3,151	-	89
Net cash provided by (used for) operating activities	\$ (357,643)	\$ (6,983)	\$ (379,634)

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

COLLINGSWOOD SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Trust Funds			Agency Funds
	Unemployment Compensation Trust	Flexible Benefit Trust	Private Purpose Scholarship Fund	
ASSETS:				
Cash and cash equivalents	\$ 858,260	\$ 17,476	\$ 176,545	\$ 467,796
Total Assets	<u>858,260</u>	<u>17,476</u>	<u>176,545</u>	<u>467,796</u>
LIABILITIES:				
Payroll deductions and withholdings	1,028	-	-	209,855
Accounts payable	23,881	-	-	-
Interfund payable	-	-	-	62
Due to student groups	-	-	-	257,879
Total Liabilities	<u>24,909</u>	<u>-</u>	<u>-</u>	<u>\$ 467,796</u>
NET POSITION:				
Held in trust for unemployment claims and other purposes	<u>\$ 833,351</u>			
Held in trust for claims		<u>\$ 17,476</u>		
Reserved for scholarships			<u>\$ 176,545</u>	

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

COLLINGSWOOD SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2020

	<u>Unemployment Compensation Trust</u>	<u>Flexible Benefit Trust</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS:			
Contributions:	\$ 39,313	\$ 35,265	\$ 21,225
Total Contributions	39,313	35,265	21,225
Interest earned on investments	10,095	40	3,361
Total Additions	<u>49,408</u>	<u>35,305</u>	<u>24,586</u>
DEDUCTIONS:			
Claims paid	47,026	32,415	-
Scholarships awarded	<u>-</u>	<u>-</u>	<u>27,525</u>
Total Deductions	<u>47,026</u>	<u>32,415</u>	<u>27,525</u>
Change in Net Position	2,382	2,890	(2,939)
Net Position - July 1, 2019	<u>830,969</u>	<u>14,586</u>	<u>179,484</u>
Net Position - June 30, 2020	<u>\$ 833,351</u>	<u>\$ 17,476</u>	<u>\$ 176,545</u>

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

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Collingswood School District (“School District”) is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. In addition, the School District provides educational services for students in grades 9 through 12 received from the Oaklyn School District and the Woodlynne School District, on a tuition basis. The School District has an approximate enrollment at June 30, 2020 of 2,233 students.

The primary criteria for including activities within the School District’s reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School district over which the Board exercises operating control.

Component Units – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government’s management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

The basic financial statements of the 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 School District's accounting policies are described below.

The School District's basic financial statements consists of government-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.

Government-wide Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District 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 School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. 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 and interest earned on grants that is required to be used to support a particular program.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Government-wide Statements (Continued) - Revenues, which are not classified as program revenues, are presented as general revenues of the School District, 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 School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically 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 School District's major governmental funds:

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

As required by the New Jersey State Department of Education, the School District 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 which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those in the private sector.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds (Continued)

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

The School District’s enterprise funds are:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations.

Summer Theater - This fund accounts for the financial transactions related to the summer theater program.

All proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into investment in capital assets, net of related debt, and unrestricted net, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

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

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Internal Service Fund – The internal service fund has been established to account for the financing of maintenance services provided by the Collingswood School District for use by other school districts, as well as for the Collingswood School District itself. Services are provided on a cost-reimbursement basis.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into two classifications: trust funds and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has five fiduciary funds; an unemployment compensation trust fund, a private purpose scholarship fund, a flexible spending trust fund, a student activity fund, and a payroll fund.

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

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 government-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.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Fund Financial Statements (Continued) - Like the government-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 position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the 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. "Measurable" means the amount of the transaction can be determined and "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. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, 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 fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end; tuition, grants, fees, and rentals.

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 fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement 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 governmental funds.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets/Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal 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 one or more June state aid payments for budgetary purposes only and the special revenue fund. 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

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. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant revenue at fiscal year-end.

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. 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. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash, Cash Equivalents and Investments (Continued) -N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2020 and 2019 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

Inventories - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out basis.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed and is not recorded since any amounts are considered immaterial to the basic financial statements.

Inventories recorded in the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2020.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

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

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

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued) - Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of 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 Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

Bond Defeasances – In the government-wide financial statements, gains or losses on bond refundings represent the difference between the price required to repay previously issued debt and the net carrying amount of the retired debt, and are recorded as either a deferred outflow or deferred inflow of resources. In subsequent years, these amounts are amortized on a straight-line basis as a component of interest expense over the shorter of the life of the old or new debt.

Accrued Salaries and Wages - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the twelve-month year. New Jersey statutes require that these earned, but undisbursed amounts be retained in a separate bank account.

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

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

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

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, 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.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Liabilities and Long-Term Obligations (Continued) - However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

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

Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or law or regulations of other governments.

Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Fund Balance - The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2020.

Restricted - This fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

Assigned - This fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

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

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance (Committed) – When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the School District’s policy to spend restricted fund balances first. Likewise, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program and maintenance service fees for the internal service fund. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

Interfunds – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

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

Recently Issued Accounting Pronouncements - In January 2017, the GASB issued Statement 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of 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 fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In June 2017, the GASB issued Statement 87, *Leases*. This Statement increases the usefulness of governments’ financial statements by requiring 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. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In June 2018, the GASB issued Statement 89, *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. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. This Statement should have no impact on the District’s financial statements.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued)

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objectives of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after December 15, 2022. This Statement should have no impact on the District's financial statements.

In May 2020, the GASB issued 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). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is currently evaluating the impact of the adoption of this Statement on the District's financial statements.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$6,644,577 as of June 30, 2020, \$604,583 was insured under FDIC and the remaining balance of \$6,039,994 was collateralized under GUDPA.

3. CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

3. CAPITAL RESERVE ACCOUNT (continued)

The activity of the capital reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Balance July 1, 2019		\$ 393,049
Increased by:		
Interest Eamed	\$ 3,216	
Transfer per Original Budget	250,083	
Transfer per Board Resolution	<u>300,000</u>	
		<u>553,299</u>
Decreased by:		
Budget Appropriation		<u>-</u>
Balance June 30, 2020		<u><u>\$ 946,348</u></u>

The June 30, 2020 capital reserve balance does not exceed the LRFPP balance of local support costs of uncompleted projects.

4. ACCOUNTS RECEIVABLES

Accounts receivables at June 30, 2020 consisted of other governmental units and governmental grants. All receivables are considered collectible in full due to the stable condition of the other governmental units, State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2020 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Enterprise Fund	Internal Service Fund	Total
Intergovernmental					
State	\$ 161,592	\$ 12,346	\$ 1,954	\$ -	\$ 175,892
Federal	-	296,536	23,980	-	320,516
Other	<u>107,030</u>	<u>-</u>	<u>-</u>	<u>9,824</u>	<u>116,854</u>
Total	<u><u>\$ 268,622</u></u>	<u><u>\$ 308,882</u></u>	<u><u>\$ 25,934</u></u>	<u><u>\$ 9,824</u></u>	<u><u>\$ 613,262</u></u>

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	<u>Balance June 30, 2019</u>	<u>Additions/ Adjustments</u>	<u>Deletions/ Adjustments</u>	<u>Balance June 30, 2020</u>
Governmental Activities:				
Land	\$ 390,040	\$ -	\$ -	\$ 390,040
Construction in progress	-			-
Total capital assets not being depreciated	390,040			390,040
Land Improvements	1,510,905	254,150		1,765,055
Building and Improvements	24,719,412	563,609		25,283,021
Vehicles	390,231	9,000		399,231
Equipment	6,378,611	143,015	(2,296)	6,519,330
Total Historical Cost	<u>33,389,199</u>	<u>969,774</u>	<u>(2,296)</u>	<u>34,356,677</u>
Less Accumulated Depreciation:				
Land Improvements	(913,985)	(69,863)		(983,848)
Building and Improvements	(17,761,466)	(354,069)		(18,115,535)
Vehicles	(230,455)	(26,326)		(256,781)
Equipment	(5,449,065)	(120,808)	509	(5,569,364)
Total Accumulated Depreciation	<u>(24,354,971)</u>	<u>(571,066)</u>	<u>509</u>	<u>(24,925,528)</u>
Governmental Activities Capital Assets, Net	<u>\$ 9,034,228</u>	<u>\$ 398,708</u>	<u>\$ (1,787)</u>	<u>\$ 9,431,149</u>
Business-Type Activities:				
Equipment	275,456			275,456
Less - Accumulated Depreciation	<u>(194,478)</u>	<u>(16,220)</u>		<u>(210,698)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 80,978</u>	<u>\$ (16,220)</u>	<u>\$ -</u>	<u>\$ 64,758</u>

Depreciation expense in the amount of \$571,066 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 399,746
General Administration	57,107
Plant operations and maintenance	85,660
Unallocated	<u>28,553</u>
Total depreciation expense	<u>\$ 571,066</u>

6. INVENTORY

Inventory in the food service fund at June 30, 2020 consisted of the following:

Food	\$ 15,517
Supplies	<u>4,878</u>
	<u>\$ 20,395</u>

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

7. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2020, the following changes occurred in long-term obligations:

	<u>Principal Outstanding June 30, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2020</u>	<u>Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 382,798	\$ 154,263	\$ 23,038	\$ 514,023	\$ 52,672
General Obligation Bonds	11,455,000	-	860,000	10,595,000	910,000
Net Pension Liability	9,223,242	-	776,905	8,446,337	-
	<u>\$ 21,061,040</u>	<u>\$ 154,263</u>	<u>\$ 1,659,943</u>	<u>\$ 19,555,360</u>	<u>\$ 962,672</u>

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are as follows:

2012 Refunding School Bonds dated December 1, 2012 in the amount of \$10,595,000 due in annual installments through June 1, 2030, bearing interest rates of 2.50 % to 5.00%.

As of June 30, 2020, principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 910,000	\$ 381,162	\$ 1,291,162
2022	910,000	344,763	1,254,763
2023	955,000	308,362	1,263,362
2024	1,010,000	270,163	1,280,163
2025	1,070,000	219,662	1,289,662
2026-2030	<u>5,740,000</u>	<u>477,313</u>	<u>6,217,313</u>
	<u>\$ 10,595,000</u>	<u>\$ 2,001,425</u>	<u>\$ 12,596,425</u>

As of June 30, 2020, the School District had no authorizations to issue additional bonded debt.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

8. OPERATING LEASES

As of June 30, 2020, the School District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$192,992 for the fiscal year ended June 30, 2020. The future minimum lease payments for these leases are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Amount</u>
2021	\$ 198,971
2022	152,914
2023	141,191
2024	89,159
2025	<u>10,660</u>
	<u>\$ 592,895</u>

9. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement, death and disability, and medical benefits to qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

Vesting and Benefit Provisions – 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 medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

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

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

9. PENSION PLANS (Continued)

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A.18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the member contribution rate was 7.50% in State fiscal year 2020. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2020 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2020 was \$3,074,660 and was paid by April 1, 2020. School District employee contributions to the pension plan during the fiscal year ended June 30, 2020 were \$1,384,178.

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

At June 30, 2020, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

For the year ended June 30, 2020, the School District recognized pension expense of \$5,535,407 and revenue of \$5,535,407 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/19</u>	<u>06/30/18</u>
Collective deferred outflows of resources	\$ 9,932,767,606	\$ 12,473,998,870
Collective deferred inflows of resources	17,539,845,423	16,180,773,643
Collective net pension liability (Non-Employer – State of New Jersey)	61,519,112,443	63,617,852,031
State's portion of the net pension liability that was associated with the School District	93,848,023	96,060,916
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.1529193079%	.1509967917%

Actuarial assumptions – The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019.

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%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality tables 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 on the Pub-2010 Teachers Above Median Income Healthy 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 future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 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, 2019) 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.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
US Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
	<u>100.00%</u>	

Discount rate. The discount rate used to measure the State's total pension liability was 5.60% as of June 30, 2019. 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 3.50% as of June 30, 2019, 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 (State of New Jersey) will be based on 70% of the actuarially determined contributions for the State. 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 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2019, the pension plans measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 5.60%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.60%) or 1 percentage point higher (6.60%) that the current rate:

	<u>1% Decrease (4.60%)</u>	<u>Current Discount Rate (5.60%)</u>	<u>1% Increase (6.60%)</u>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	<u>110,667,591</u>	<u>93,848,023</u>	<u>79,893,093</u>
	<u>\$ 110,667,591</u>	<u>\$ 93,848,023</u>	<u>\$ 79,893,093</u>

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR), which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

Vesting and Benefit Provisions – 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 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

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 tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 or more years of service credit before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the 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 their respective tier.

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. The member contribution rate was 7.50% in State fiscal year 2019. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2020 was 15.25% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2019, the School Districts contractually required contribution to the pension plan for the fiscal year ended June 30, 2020 was \$457,969 and was paid by April 1, 2020. School District employee contributions to the pension plan during the fiscal year ended June 30, 2020 were \$259,869.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Normal Contributions	Accrued Liability	Non Contributory Life	Long Term Disability	Total Liability Paid by District
2020	\$ 42,195	\$ 390,459	\$ 23,313	\$ 2,002	\$ 457,969
2019	58,226	386,528	21,187	2,307	468,248
2018	56,986	354,867	21,104	6,875	439,832

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

At June 30, 2020, the School District reported a liability of \$8,446,337 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended June 30, 2020, the School District recognized pension expense of \$381,832. At June 30, 2020, the School District reported a liability of \$8,446,337 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 51,601	\$ 37,312
Changes of assumptions	843,398	2,931,697
Net Difference between projected and actual earnings on pension plan investments		133,329
Changes in proportion	73,395	189,791
District contributions subsequent to the measurement date	523,651	
Total	\$ 1,492,045	\$ 3,292,129

\$523,651 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, 2020, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net liability in the year ended June 30, 2020.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2021	\$ (432,524)
2022	(837,957)
2023	(592,039)
2024	(418,601)
2025	(42,614)
Total	\$ (2,323,735)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	-	5.21
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2015	5.00	5.00
June 30, 2016	5.00	5.00
June 30, 2017	5.00	5.00
June 30, 2018	5.00	5.00
June 30, 2019	5.00	5.00

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Additional Information

Collective balances at June 30, 2019 and 2018 are as follows:

	<u>6/30/2019</u>	<u>6/30/2018</u>
Collective deferred outflows of resources	\$ 3,149,522,616	\$ 4,684,852,302
Collective deferred inflows of resources	\$ 7,645,087,574	\$ 7,646,736,226
Collective net pension liability	\$ 18,143,832,135	\$ 19,689,501,539
School District's Proportion	.0468759589%	.0468434515%

Actuarial assumptions – The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019.

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	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%

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 is based on Scale MP-2019.

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

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
US Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
Total	100.00%	

Discount rate. The discount rate used to measure the State's total pension liability was 6.28% as of June 30, 2019. 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 3.50% as of June 30, 2019, 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 70% 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 projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2019, calculated using the discount rate of 6.28%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.28%) or 1 percentage point higher (7.28%) than the current rate:

	<u>1% Decrease (5.28%)</u>	<u>Current Discount Rate (6.28%)</u>	<u>1% Increase (7.28%)</u>
School District's proportionate share of the net pension liability	\$ 10,669,096	\$ 8,446,337	\$ 6,573,348

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

9. PENSION PLANS (Continued)

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District’s contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District’s contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2020	\$ 15,843	\$ 15,843
2019	12,532	12,532
2018	13,041	13,041

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan (the “OPEB Plan”) is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated io. 75 – Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the “Division”) and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Contributions

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey (the "State") in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32F, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teacher's Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Plan Membership

As of June 30, 2018, the program membership consisted of the following:

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	148,051
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	-
	364,943

Total Non-Employer OPEB Liability

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

Actuarial assumptions and other imputes - The total nonemployer OPEB liability as of the June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member enrolled in.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%		
	TPAF/ABP	PERS	PFRS
Salary Increases Through 2026	1.55 – 3.05% based on years of service	2.00 – 6.00% based on age	3.25 – 15.25% based on age
Thereafter	1.55 - 3.05% based on years of service	3.00 - 7.00% based on age	3.10 - 9.98% based on age

Preretirement mortality rates were based on the Pub-2010 Healthy Teacher’s (TPAF), and “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational improvement projections from the central year using the Scale MP-2019. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational improvement projections from the central year using the Scale MP-2019.

The actuarial assumptions used in the June 30, 2018 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.

Health Care Trend Assumptions - For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate - The discount rate for June 30, 2019 was 3.50%. 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.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in the Total Nonemployer OPEB Liability

The table below summarizes the State's proportionate share of the change in the total nonemployer OPEB liability associated with the School District:

	Total OPEB Liability
Balance as of June 30, 2018	\$ 72,556,077
Changes for the years'	
Service Cost	2,584,729
Interest	2,869,704
Changes of benefit terms	
Differences between expected and actual experience	(10,023,138)
Changes in assumptions	998,838
Gross Benefit Payments	(2,056,416)
Contributions from the Non-employer	N/A
Contributions from the Member	60,958
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	\$ (5,565,325)
Balance at 06/30/2019	\$ 66,990,752

Sensitivity of the total nonemployer OPEB liability to changes in the discount rate - The following presents the total nonemployer OPEB liability as of June 30, 2019, respectively, associated with the School District, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage -point lower or 1percentage-point higher than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 79,142,551	\$ 66,990,752	\$ 57,338,029

Sensitivity of the total nonemployer OPEB liability to changes in the healthcare cost trend rate - The following presents the total nonemployer OPEB liability as of June 30, 2019, associated with the School District, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage -point lower or 1percentage-point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 81,303,854	\$ 66,990,752	\$ 54,329,445

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

For the year ended June 30, 2020, the School District recognized \$1,568,863 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB Expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2019 measurement date.

In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District.

At June 30, 2020, the State's proportionate share of the total nonemployer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and		
actual experiences	\$ -	\$ 16,832,283
Changes of assumptions	-	13,616,021
Total	\$ -	\$ 30,448,304

Amounts reported as deferred outflows of resources and deferred inflows of resources related to State's proportionate share of the total nonemployer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

For the year ended:	
2020	\$ (4,088,127)
2021	(4,088,127)
2022	(4,088,127)
2023	(4,088,127)
2024	(4,088,127)
Therafter	(10,007,669)
Total	\$ (30,448,304)

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2020 the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$3,519,370, \$1,305,622, and \$3,301, respectively. In addition, \$1,312,216 on-behalf payments were made by the state for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

12. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters.

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

Joint Insurance Pool - The School District is a member of the New Jersey Burlington County Joint Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Comprehensive Annual Financial Report

Annual contributions to the Fund are determined by the Fund’s Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund’s Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School District is billed quarterly for amounts due to the State.

The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020	\$ 10,095	\$ 39,313	\$ 47,026	\$ 833,351
2019	12,952	37,709	21,398	830,969
2018	7,791	35,295	19,106	801,706

13. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

14. COMPENSATED ABSENCES

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

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

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020**

14. COMPENSATED ABSENCES (Continued)

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2020, the liability for compensated absences in the governmental activities fund type was \$514,023.

15. INTERFUND RECEIVABLES/PAYABLES

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2021. The following interfund receivables/payables were recorded on the various balance sheets as of June 30, 2020:

Fund	Interfunds Receivable	Interfunds Payable
General Fund	\$ 74,102	\$ 1
Special Revenue Fund	1	-
Proprietary Fund	-	38,428
Fiduciary Fund	-	62
Internal Service Fund	-	35,612
	\$ 74,103	\$ 74,103

16. CONTINGENCIES

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2020, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

17. FLEXIBLE BENEFITS PROGRAM

The School District offers its employees a Flexible Benefits Program. The purpose of the program is to provide a tax incentive for plan participants incurring health premium expenses, dependent care expenses and other medical expenses not covered by other insurance. The School District, who is the plan administrator, has contracted with American Family Life Assurance Company (AFLAC) to act as its agent to furnish reimbursement services. The plan participants redirect a prescribed amount of their gross pay (tax-free) into a reimbursement account and then in-turn submit claims to AFLAC for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the School District.

The following is a summary of School District contributions, employee contributions, reimbursements to the plan participants for benefits paid and the ending balance of the School District's fiduciary fund for the current and prior two years.

Fiscal Year	Interest Earned	Contributions	Amount Reimbursed	Ending Balance
2020	\$ 40	\$ 35,265	\$ 32,415	\$ 17,476
2019	34	36,600	34,732	14,586
2018	80	24,102	20,943	12,684

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

18. TAX ABATEMENTS

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

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

The Borough of Collingswood (Municipality) provides for long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Municipality are for affordable housing and other permitted purposes. Taxes abated include municipal, local school, and county taxes.

The municipality recognized revenue of \$1,805,213 from the annual service charge in lieu of payment of taxes in 2019. The assessed value on these tax exemption properties amounted to \$113,154,600 which would have resulted in 2019 taxes billed in full of \$3,178,623. A portion of the \$1,373,410 abatement would have been allocated to the District.

19. DEFICIT UNASSIGNED FUND BALANCE

The School District has a deficit unassigned fund balance of \$264,227 in the General Fund as of June 30, 2020 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable

Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$264,227 is equal to or less than the June state aid payment.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

20. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2020, a deficit of \$11,448,321 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances, June 30, 2020:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds)	
Unassigned	\$ (264,227)
Add - Deferred Outflow of Resources	131,765
Liabilities:	
Accrued Interest Payable	(31,764)
Net Pension Differences	(10,770,072)
Compensated Absences	(514,023)
Unrestricted Net Position (Deficit)	<u>\$ (11,448,321)</u>

21. FUND BALANCES

RESTRICTED

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District’s fund balance are summarized as follows:

General Fund:

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, 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, 2020 is \$1,658,201 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$1,210,654 of excess fund balance generated during the 2018-2019 fiscal year has been restricted and designated for utilization in the 2020-2021 budget.

Capital Reserve – As of June 30, 2020, the balance in the capital reserve account is \$946,348. The entire amount is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long-Range Facilities Plan.

Maintenance Reserve Account – As of June 30, 20120 the balance in the maintenance reserve account is \$451,375. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

21. FUND BALANCES (CONTINUED)

ASSIGNED

As stated in Note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund:

Other Purposes – At June 30, 2020 the School District has \$319,978 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in Note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund – As of June 30, 2020, the unassigned fund balance of the general fund was a deficit of \$264,227. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 19).

22. SUBSEQUENT EVENTS

COVID-19 - the management of the School District has evaluated its financial statements for subsequent events through the date that the financial statements were issued. As a result of the spread of the COVID-19 coronavirus in New Jersey, economic uncertainties have arisen which could negatively impact the financial position of the School District. While the impact that COVID-19 will have is currently expected to be temporary, as of the date of the financial statements, the related financial impact and duration cannot be reasonably estimated.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local Tax Levy	\$ 16,416,350	\$ 225,000	\$ 16,641,350	\$ 16,641,350	\$ -
Tuition - From Other LEA's	6,620,332	-	6,620,332	6,646,243	25,911
Tuition - From Individuals	-	-	-	9,300	9,300
Interest earned on maintenance reserve funds	475	-	475	1,251	776
Interest earned on capital reserve funds	2,100	-	2,100	3,216	1,116
Unrestricted misc. revenues	334,411	-	334,411	617,739	283,328
Total local sources	23,373,668	225,000	23,598,668	23,919,099	320,431
State sources:					
School choice aid	350,401	-	350,401	350,401	-
Categorical special education aid	1,012,100	-	1,012,100	1,012,100	-
Equalization aid	7,872,265	-	7,872,265	7,872,265	-
Categorical security aid	341,486	-	341,486	341,486	-
Adjustment aid	783,307	-	783,307	783,307	-
Categorical transportation aid	176,430	-	176,430	176,430	-
Extraordinary aid	24,000	-	24,000	67,482	43,482
Homeless Tuition Aid	-	-	-	29,512	29,512
On-behalf TPAF pension contri. (non-budgeted)	-	-	-	3,519,370	3,519,370
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	1,305,622	1,305,622
On-behalf TPAF - LTDI (non-budgeted)	-	-	-	3,301	3,301
Reimbursed TPAF social security contribution (non-budgeted)	-	-	-	1,312,216	1,312,216
Total state sources	10,559,989	-	10,559,989	16,773,492	6,213,503
Federal sources:					
Medicaid reimbursement	102,628	-	102,628	51,688	(50,940)
Total federal sources	102,628	-	102,628	51,688	(50,940)
TOTAL REVENUES	34,036,285	225,000	34,261,285	40,744,279	6,482,994
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	-	2,888	2,888	90	2,798
Kindergarten	487,000	(4,066)	482,934	468,913	14,021
Grades 1-5	3,176,470	(148,475)	3,027,995	2,942,169	85,826
Grades 6-8	2,479,971	(8,894)	2,471,077	2,457,878	13,199
Grades 9-12	4,103,119	(5,053)	4,098,066	4,043,872	54,194
Regular Programs - Home Instruction:					
Salaries of teachers	36,000	(20,000)	16,000	10,885	5,115
Purchased professional - educ services	18,000	-	18,000	4,759	13,241
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	-	-	-	-	-
Unused vacation payment to terminated/retired staff	-	11,585	11,585	11,585	-
Purchased professional - educ services	34,500	51,805	86,305	67,805	18,500
Purchased technical services	334,637	32,000	366,637	366,586	51
Other purchased services	154,570	-	154,570	106,123	48,447
General supplies	1,069,660	(176,668)	892,992	670,412	222,580
Textbooks	7,900	90	7,990	6,089	1,901
Other objects	3,795	-	3,795	1,842	1,953
Total - Regular Programs - Instruction	11,905,622	(264,788)	11,640,834	11,159,008	481,826

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education Instruction:					
Behavioral Disabilities:					
General supplies	\$ -	\$ -	\$ -	\$ -	\$ -
Textbooks	-	-	-	-	-
Total multiple disabilities	-	-	-	-	-
Multiple Disabilities:					
Salaries of teachers	527,484	(35,313)	492,171	485,219	6,952
Other salaries for instruction	263,872	(2,993)	260,879	232,199	28,680
Purchased prof. educational services	182,700	268,600	451,300	423,885	27,415
Purchased technical services	6,000	-	6,000	-	6,000
General supplies	12,000	-	12,000	5,426	6,574
Textbooks	26,450	(18,375)	8,075	3,930	4,145
Total multiple disabilities	1,018,506	211,919	1,230,425	1,150,659	79,766
Resource room/resource center::					
Salaries of teachers	1,745,845	(46,374)	1,699,471	1,664,382	35,089
Other salaries for instruction	20,610	(11,000)	9,610	-	9,610
Purchased prof. educational services	182,700	25,000	207,700	207,700	-
General supplies	6,000	3,941	9,941	9,448	493
Textbooks	6,000	(211)	5,789	5,573	216
Total resource room/resource center	1,961,155	(28,644)	1,932,511	1,887,103	45,408
Autism:					
Salaries of teachers	-	-	-	-	-
Other salaries for instruction	-	-	-	-	-
Total autism	-	-	-	-	-
Preschool Disabilities - Part-Time:					
Salaries of teachers	96,648	-	96,648	1,713	94,935
Other salaries for instruction	49,196	-	49,196	47,634	1,562
Purchased prof. educational services	35,850	-	35,850	33,850	2,000
General Supplies	250	530	780	780	-
Total preschool disabilities - part-time	181,944	530	182,474	83,977	98,497
Home Instruction					
Salaries of teachers	36,000	(16,000)	20,000	298	19,702
Purchased prof. educational services	18,000	-	18,000	6,556	11,444
Total home instruction	54,000	(16,000)	38,000	6,854	31,146
Total Special Education - Instruction	3,215,605	167,805	3,383,410	3,128,593	254,817
Basic Skills/Remedial - Instruction					
Salaries of teachers	838,798	(15,125)	823,673	813,642	10,031
General supplies	14,000	7,995	21,995	10,604	11,391
Total basic skills/remedial - instruction	852,798	(7,130)	845,668	824,246	21,422
Bilingual Education - Instruction					
Salaries of teachers	150,900	-	150,900	148,500	2,400
General supplies	1,800	-	1,800	936	864
Total bilingual education - instruction	152,700	-	152,700	149,436	3,264

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Cocurricular Act - Instruction:					
Salaries of teachers	\$ 105,500	\$ -	\$ 105,500	\$ 96,159	\$ 9,341
Purchased services	7,700	-	7,700	3,911	3,789
Supplies and materials	13,100	-	13,100	9,633	3,467
Other objects	10,900	-	10,900	2,754	8,146
Total school-sponsored cocurr. act. - instruc.	<u>137,200</u>	<u>-</u>	<u>137,200</u>	<u>112,457</u>	<u>24,743</u>
School-Sponsored Athletics - Instruction:					
Salaries of teachers	545,750	-	545,750	511,413	34,337
Purchased services	91,200	4,000	95,200	89,902	5,298
Supplies and materials	55,000	-	55,000	53,146	1,854
Other objects	38,500	-	38,500	30,022	8,478
Total school-sponsored athletics - instruc.	<u>730,450</u>	<u>4,000</u>	<u>734,450</u>	<u>684,483</u>	<u>49,967</u>
Before/After School Programs - Instruction:					
Salaries of teachers	2,500	-	2,500	1,183	1,317
Total school-sponsored athletics - instruc.	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>1,183</u>	<u>1,317</u>
Total Instruction	<u>16,996,875</u>	<u>(100,113)</u>	<u>16,896,762</u>	<u>16,059,406</u>	<u>837,356</u>
Undistributed Expenditures - Instruction					
Tuition to other LEA's within the state - regular	149,000	(66,075)	82,925	82,785	140
Tuition to other LEA's within the state - special	-	22,100	22,100	21,834	266
Tuition to county voc. school district - regular	21,015	-	21,015	21,015	-
Tuition to CSSD & reg. day schools	455,033	(69,200)	385,833	378,194	7,639
Tuition to priv. sch. for the disabled in state	61,618	112,175	173,793	152,548	21,245
Tuition - state facilities	-	-	-	-	-
Tuition - other	7,900	15,000	22,900	22,900	-
Total undistributed expenditures - instruction	<u>694,566</u>	<u>14,000</u>	<u>708,566</u>	<u>679,276</u>	<u>29,290</u>
Attendance and Social Work:					
Salaries	35,966	842	36,808	36,808	-
Total attendance and social work	<u>35,966</u>	<u>842</u>	<u>36,808</u>	<u>36,808</u>	<u>-</u>
Health Services:					
Salaries	451,754	68,583	520,337	480,788	39,549
Purchased professional and tech. services	29,500	120,000	149,500	27,387	122,113
Other purchased services	235	-	235	235	-
Supplies and materials	5,797	10,770	16,567	9,868	6,699
Total health services	<u>487,286</u>	<u>199,353</u>	<u>686,639</u>	<u>518,043</u>	<u>168,596</u>
Speech, OT, PT & Related Services:					
Salaries	379,340	(31,609)	347,731	287,631	60,100
Purchased professional and educ. services	3,800	-	3,800	3,374	426
Supplies and materials	25,210	(9,455)	15,755	9,334	6,421
Total speech, ot, pt, & related services	<u>408,350</u>	<u>(41,064)</u>	<u>367,286</u>	<u>300,339</u>	<u>66,947</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Support Services Student - Extra:					
Salaries	\$ 100,195	\$ -	\$ 100,195	\$ 90,100	\$ 10,095
Purchased professional - educ. services	397,000	111,175	508,175	502,035	6,140
Total other support services student - extra	497,195	111,175	608,370	592,135	16,235
Guidance:					
Salaries of other professional staff	462,952	-	462,952	450,192	12,760
Salaries of secretarial and clerical assistants	88,550	-	88,550	86,350	2,200
Purchased professional - educ. services	8,125	-	8,125	6,847	1,278
Other purchased prof. and tech. services	15,200	-	15,200	4,925	10,275
Other purchased services	500	-	500	400	100
Supplies and materials	4,260	-	4,260	2,493	1,767
Other objects	800	-	800	175	625
Total guidance	580,387	-	580,387	551,382	29,005
Child Study Teams:					
Salaries of other professional staff	1,024,228	(131,236)	892,992	832,788	60,204
Salaries of secretarial and clerical assistants	83,175	-	83,175	82,450	725
Purchased professional - educ services	20,000	-	20,000	18,955	1,045
Miscellaneous purchased services	-	-	-	-	-
Other purchase services	6,095	(1,095)	5,000	360	4,640
Supplies and materials	14,000	1,095	15,095	14,848	247
Other Objects	-	-	-	-	-
Total child study teams	1,147,498	(131,236)	1,016,262	949,401	66,861
Improvement of Instructional Services:					
Salaries of supervisor of instruction	444,431	12,665	457,096	457,095	1
Salaries of other professional staff	30,375	(8,711)	21,664	20,798	866
Salaries of secretarial and clerical assistants	13,340	414	13,754	13,754	-
Purchased professional - educ services	7,995	(7,995)	-	-	-
Supplies and materials	945	-	945	726	219
Total improvement of instructional services	497,086	(3,627)	493,459	492,373	1,086
Educational Media Services/School Library:					
Salaries	362,695	11,079	373,774	371,835	1,939
Supplies and materials	17,650	354	18,004	15,203	2,801
Total educational media services/school library	380,345	11,433	391,778	387,038	4,740
Instructional Staff Training Services:					
Salaries of supervisors of instruction	320,546	9,655	330,201	330,201	-
Salaries of secretarial and clerical assistants	14,190	414	14,604	13,754	850
Purchased professional - educ services	4,500	-	4,500	4,458	42
Other purchased services (400-500 series)	43,800	(2,754)	41,046	22,868	18,178
Total instructional staff training services	383,036	7,315	390,351	371,281	19,070

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
General Administration:					
Salaries	\$ 290,733	\$ 24,480	\$ 315,213	\$ 310,084	\$ 5,129
Legal services	55,000	(7,000)	48,000	36,074	11,926
Audit fees	26,000	-	26,000	26,000	-
Other purchased professional services	46,300	35,414	81,714	81,650	64
Communications / telephone	77,073	(18,900)	58,173	58,160	13
BOE other purchased services	2,500	(800)	1,700	1,200	500
Other purchased services	108,947	20,326	129,273	118,276	10,997
General supplies	2,500	-	2,500	1,953	547
Miscellaneous expenditures	5,700	(225)	5,475	3,885	1,590
BOE membership dues and fees	21,200	-	21,200	18,534	2,666
Total general administration	635,953	53,295	689,248	655,816	33,432
School Administration:					
Salaries of principals/assist. principals	1,073,801	(9,576)	1,064,225	1,034,072	30,153
Salaries of secretarial and clerical assistants	463,450	(4,271)	459,179	439,738	19,441
Other purchased services	17,500	(200)	17,300	8,544	8,756
Supplies and materials	11,825	123	11,948	9,138	2,810
Other objects	11,500	-	11,500	4,221	7,279
Total school administration	1,578,076	(13,924)	1,564,152	1,495,713	68,439
Central Services:					
Salaries	354,872	1,755	356,627	356,627	-
Purchased professional services	11,210	-	11,210	9,681	1,529
Purchased technical services	45,667	4,100	49,767	49,579	188
Miscellaneous purchased services	13,100	-	13,100	1,496	11,604
Supplies	9,000	2,800	11,800	10,149	1,651
Miscellaneous expenditures	2,640	-	2,640	430	2,210
Total central services	436,489	8,655	445,144	427,962	17,182
Administrative Inform. Technology:					
Salaries	9,042	281	9,323	9,323	-
Total administrative inform. technology	9,042	281	9,323	9,323	-
Required Maintenance School Facilities:					
Salaries	671,846	(102,772)	569,074	564,073	5,001
Cleaning, repair, and maintenance services	148,862	28,177	177,039	124,470	52,569
General supplies	189,400	123,526	312,926	222,932	89,994
Other objects	2,400	5,465	7,865	5,696	2,169
Total required maintenance school facilities	1,012,508	54,396	1,066,904	917,171	149,733
Custodial Services:					
Salaries	1,171,396	60,858	1,232,254	1,211,987	20,267
Salaries of non-instructional aides	-	-	-	-	-
Purchased professional and tech. services	30,985	(5,000)	25,985	25,738	247
Cleaning, repair, and maintenance services	65,050	(13,000)	52,050	46,122	5,928
Rental of Land & Bldg Othr. than Lease Pur Agrmt	26,892	(1,600)	25,292	25,292	-
Other purchased property services	78,500	-	78,500	73,213	5,287
Insurance	133,083	(7,400)	125,683	125,677	6
General supplies	114,850	-	114,850	112,453	2,397
Energy (Natural Gas)	120,000	(15,000)	105,000	100,280	4,720
Energy (Electricity)	452,600	(69,000)	383,600	383,313	287
Other objects	21,700	-	21,700	4,050	17,650
Total custodial services	2,215,056	(50,142)	2,164,914	2,108,125	56,789

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Care and Upkeep of Grounds					
Other objects	\$ 2,500	\$ -	\$ 2,500	\$ 491	\$ 2,009
Total care and upkeep of grounds	2,500	-	2,500	491	2,009
Security:					
Salaries	180,000	(17,173)	162,827	162,255	572
Purchased professional and tech. services	-	-	-	-	-
Total security	180,000	(17,173)	162,827	162,255	572
Total operation & maint. of plant services	3,410,064	(12,919)	3,397,145	3,188,042	209,103
Student Transportation Services:					
Salaries pupil trans. Other than bet home/school	1,600	(1,500)	100	90	10
Management fee - ESC trans. program	19,800	4,006	23,806	23,767	39
Contr serv - Aid in Lieu Payments - Charter School	20,000	-	20,000	11,965	8,035
Contr serv (bet. home and school) - Vendors	39,000	(8,000)	31,000	14,543	16,457
Contr. serv. (not bet. home & school) - Vendors	207,250	(77,171)	130,079	81,589	48,490
Contr. serv. (special ed. students.) - ESC	345,000	123,665	468,665	468,579	86
Misc. purchased services - transportation	350	-	350	-	350
Total student transportation services	633,000	41,000	674,000	600,533	73,467
Unallocated Benefits - Employee Benefits:					
Social security contributions	372,103	26,658	398,761	398,761	-
Other retirement contributions - PERS	451,881	-	451,881	440,850	11,031
Workmen's Compensation	171,600	12,908	184,508	183,439	1,069
Health benefits	4,993,088	(45,935)	4,947,153	4,724,000	223,153
Tuition reimbursement	50,900	-	50,900	50,900	-
Other employee benefits	221,611	(60,000)	161,611	67,505	94,106
Unused sick payment to terminated/retired staff	55,820	2,277	58,097	2,277	55,820
Total unallocated benefits - employee benefits	6,317,003	(64,092)	6,252,911	5,867,732	385,179
On-behalf TPAF pension contr. (non-budgeted)	-	-	-	3,519,370	(3,519,370)
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	1,305,622	(1,305,622)
On-behalf TPAF - LTDI (non-budgeted)	-	-	-	3,301	(3,301)
Reimbursed TPAF social security contr. (non-budgeted)	-	-	-	1,312,216	(1,312,216)
Total Undistributed Expenditures	18,131,342	180,487	18,311,829	23,263,706	(4,951,877)
Total General Current Expense	35,128,217	80,374	35,208,591	39,323,112	(4,114,521)
CAPITAL OUTLAY:					
Equipment:					
Grades 6-8	-	-	-	-	-
School sponsored and other instr. program	55,172	-	55,172	26,902	28,270
Required maintenance for school facilities	46,050	60,000	106,050	27,270	78,780
Non-instructional services	-	-	-	-	-
Total Equipment	101,222	60,000	161,222	54,172	107,050
Facilities Acquisition and Constr. Services					
Architectural/Engineering Services	75,000	(58,000)	17,000	16,447	553
Construction services	763,000	58,000	821,000	797,705	23,295
Supplies and materials	-	-	-	-	-
Assessment for Debt Service on SDA Funding	197,346	-	197,346	197,346	-
Total Facilities Acquisition and Constr. Serv.	1,035,346	-	1,035,346	1,011,498	23,848
Total Capital Outlay	1,136,568	60,000	1,196,568	1,065,670	130,898

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2020

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
SPECIAL SCHOOLS - SUMMER:					
Instruction:					
Salaries of teachers	\$ 10,672	\$ -	\$ 10,672	\$ 7,844	\$ 2,828
General supplies	4,200	-	4,200	3,284	916
Total summer school - instruction	<u>14,872</u>	<u>-</u>	<u>14,872</u>	<u>11,128</u>	<u>3,744</u>
Total Special Schools	<u>14,872</u>	<u>-</u>	<u>14,872</u>	<u>11,128</u>	<u>3,744</u>
Transfer to Charter School	<u>215,141</u>	<u>84,626</u>	<u>299,767</u>	<u>297,030</u>	<u>2,737</u>
TOTAL EXPENDITURES	<u>36,494,798</u>	<u>225,000</u>	<u>36,719,798</u>	<u>40,696,940</u>	<u>(3,977,142)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	<u>(2,458,513)</u>	<u>-</u>	<u>(2,458,513)</u>	<u>47,339</u>	<u>2,505,852</u>
Other Financing Sources:					
Operaing transfer out	<u>(148,850)</u>	<u>-</u>	<u>(148,850)</u>	<u>(148,850)</u>	<u>-</u>
Total other financing sources	<u>(148,850)</u>	<u>-</u>	<u>(148,850)</u>	<u>(148,850)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	<u>(2,607,363)</u>	<u>-</u>	<u>(2,607,363)</u>	<u>(101,511)</u>	<u>2,505,852</u>
Fund Balance - July 1, 2019	<u>5,425,655</u>		<u>5,425,655</u>	<u>5,425,655</u>	
Fund Balance - June 30, 2020	<u>\$ 2,818,292</u>	<u>\$ -</u>	<u>\$ 2,818,292</u>	<u>\$ 5,324,144</u>	<u>\$ 2,505,852</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Capital reserve				\$ 946,348	
Maintenance reserve				451,375	
Excess surplus				1,658,201	
Excess surplus - designated for subsequent year's expenditures				1,210,654	
Assigned Fund Balance:					
Year-end encumbrances				319,978	
Unassigned - designated for subsequent year's expenditures				<u>737,588</u>	
Unassigned Fund Balance				<u>5,324,144</u>	
Last State Aid Payment not Recognized on a GAAP Basis				<u>(1,001,815)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 4,322,329</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ -	\$ 5,251	\$ 5,251	\$ -	\$ (5,251)
State sources	2,108,323	149,756	2,258,079	1,872,208	(385,871)
Federal sources	850,604	357,467	1,208,071	1,030,666	(177,405)
Total Revenues	2,958,927	512,474	3,471,401	2,902,874	(568,527)
EXPENDITURES:					
Instruction:					
Salaries	968,521	177,404	1,145,925	983,058	162,867
Other Salaries	-	4,450	4,450	4,447	3
Purchased prof. - tech. serv.	188,604	67,652	256,256	223,266	32,990
Purchased prof. - educ. serv.	407,350	(96,850)	310,500	287,000	23,500
Other purchased services	253,860	(3,482)	250,378	203,400	46,978
Textbooks	6,325	-	6,325	5,951	374
General supplies	156,008	132,531	288,539	256,928	31,611
Other Objects	-	-	-	-	-
Total instruction	1,980,668	281,705	2,262,373	1,964,050	298,323
Support services:					
Salaries of supervisor of instruction	284,623	(52,355)	232,268	223,667	8,601
Salaries	122,210	84,176	206,386	135,579	70,807
Salaries of other professionals	80,387	-	80,387	80,367	20
Salaries of secretaries	25,200	6,000	31,200	31,200	-
Personal services - employee benefits	332,850	127,133	459,983	364,779	95,204
PEA Comm. Parent Inv.	23,637	(800)	22,837	19,837	3,000
PEA Master	30,875	500	31,375	31,375	-
Purchased professional - tech. services	15,500	48,105	63,605	32,992	30,613
Purchased professional - educ. services	10,000	10,000	20,000	15,660	4,340
Other purchased services	16,640	7,810	24,450	12,812	11,638
Rentals	140,000	-	140,000	123,631	16,369
Contracted Service	4,000	-	4,000	4,000	-
Supplies and materials	6,999	12,200	19,199	15,775	3,424
Total support services	1,092,921	242,769	1,335,690	1,087,674	248,016
Facilities acquisition and construction services:					
Instructional equipment	34,188	(34,188)	-	-	-
Non instructional equipment	-	22,188	22,188	-	22,188
Total facilities acq. and const. services	34,188	(12,000)	22,188	-	22,188
Total Expenditures	3,107,777	512,474	3,620,251	3,051,724	568,527
Other financing sources (uses)					
Transfer in from General Fund	148,850	-	148,850	148,850	-
Total other financing sources (uses)	148,850	-	148,850	148,850	-
Total outflows	2,958,927	512,474	3,471,401	2,902,874	568,527
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COLLINGSWOOD SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison
For the Fiscal Year Ended June 30, 2020

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 schedules	\$ 40,744,279	\$ 2,902,874
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	1,001,730	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,001,815)	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 40,744,194	\$ 2,902,874
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 40,696,940	\$ 3,051,724
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered in the prior year but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	-	-
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	-	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 40,696,940	\$ 3,051,724

Required Supplementary Information - Part III
Schedules Related to Accounting and Reporting
For Pensions and
Other Post Employment Benefits

COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Seven Fiscal Years

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportionate share of the net pension liability (asset)	0.0468759589%	0.0468434515%	0.0467357705%	0.0477887017%	0.0484542968%	0.0504615815%	0.0464957527%
District's proportionate share of the net pension liability (asset)	\$ 8,446,337	\$ 9,223,242	\$ 10,879,340	\$ 14,153,643	\$ 10,877,019	\$ 9,447,788	\$ 8,886,262
District's covered-employee payroll	3,433,400	3,361,770	3,362,202	3,340,022	3,195,602	3,328,339	3,312,110
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	246.01%	274.36%	323.58%	423.76%	340.37%	283.86%	268.30%
Plan fiduciary net position as a percentage of the total pension liability	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Contributions
Public Employees Retirement System
Last Seven Fiscal Years

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 523,651	\$ 457,969	\$ 465,941	\$ 432,957	\$ 424,548	\$ 416,577	\$ 415,998
Contributions in relation to the contractually required contributions	<u>(523,651)</u>	<u>(457,969)</u>	<u>(465,941)</u>	<u>(432,957)</u>	<u>(424,548)</u>	<u>(416,577)</u>	<u>(415,998)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	3,433,400	3,361,770	3,362,202	3,340,022	3,195,602	3,328,339	3,312,110
Contributions as a percentage of covered-employee payroll	15.25%	13.62%	13.86%	12.96%	13.29%	12.52%	12.56%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Seven Fiscal Years

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2015
District's proportion of the net pension liability (asset)	0.1529193079%	0.1509967917%	0.1490516325%	0.1469451357%	0.1427243362%	0.1420654688%	0.1404208352%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>93,848,023</u>	<u>96,060,916</u>	<u>100,495,985</u>	<u>115,596,400</u>	<u>90,207,875</u>	<u>75,929,369</u>	<u>70,967,586</u>
Total	<u>\$ 93,848,023</u>	<u>\$ 96,060,916</u>	<u>\$ 100,495,985</u>	<u>\$ 115,596,400</u>	<u>\$ 90,207,875</u>	<u>\$ 75,929,369</u>	<u>\$ 70,967,586</u>
District's covered-employee payroll	\$ 18,368,345	\$ 17,365,254	\$ 16,284,322	\$ 15,587,259	\$ 15,475,631	\$ 15,143,415	\$ 15,069,574
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

COLLINGSWOOD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District
and Changes in the Total OPEB Liability and Related Ratios
Public Employee's Retirement System and Teachers' Pension and Annuity Fund
Last Three Fiscal Years

	June 30, 2020	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.16%	0.16%	0.16%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 66,990,752	\$ 72,556,077	\$ 84,698,989
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 66,990,752</u>	<u>\$ 72,556,077</u>	<u>\$ 84,698,989</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%	0.00%
	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability			
Service Cost	\$ 2,584,729	\$ 2,858,832	\$ 3,458,716
Interest	2,869,704	3,101,337	2,685,540
Difference between expected and actual experiences	(10,023,138)	(7,903,838)	
Changes of assumptions	998,838	(8,326,173)	(11,264,599)
Member Contributions	60,958	67,054	72,239
Benefit payments	<u>(2,056,416)</u>	<u>(1,940,124)</u>	<u>(1,961,808)</u>
Net Change in total OPEB Liability	\$ (5,565,325)	\$ (12,142,912)	\$ (7,009,912)
Total OPEB Liability - beginning	<u>\$ 72,556,077</u>	<u>\$ 84,698,989</u>	<u>\$ 91,708,901</u>
Total OPEB Liability - ending	<u>\$ 66,990,752</u>	<u>\$ 72,556,077</u>	<u>\$ 84,698,989</u>
District's covered-employee payroll	21,801,745	20,727,024	19,646,524
Total OPEB Liability as a percentage of covered-employee payroll	307.27%	350.06%	431.11%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

Collingswood School District
Notes to Required Supplementary Information – Part III
For the Fiscal Year Ended June 30, 2020

Teacher’s Pension and Annuity Fund (TPAF)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed to 5.60% as of June 30, 2019 from 4.86% as of June 30, 2018 and the long-term rate of return remained at 7.00%.

Public Employees’ Retirement System (PERS)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed to 6.28% as of June 30, 2019 from 5.66% as of June 30, 2018 and the long-term rate of return remained at 7.00%.

Other Post-Retirement Plan – Public Employees’ Retirement System and Teachers’ Pension and Annuity Fund

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed to 3.50% as of June 30, 2019 from 3.87% as of June 30, 2018.

Other Supplementary Information

Special Revenue Fund

COLLINGSWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2020

	Total Other Prog. (See E-1A)	Total Other Prog. (See E-1B)	Total
REVENUES:			
Local sources	\$ -	\$ -	\$ -
State sources	1,872,208	-	1,872,208
Federal sources		1,030,666	1,030,666
	<hr/>	<hr/>	<hr/>
Total Revenues	1,872,208	1,030,666	2,902,874
EXPENDITURES:			
Instruction:			
Salaries of teachers	857,845	125,213	983,058
Other Salaries	4,447		4,447
Purchased prof. - tech. services	21,650	201,616	223,266
Purchased prof. - educ. services	287,000		287,000
Other purchased services	31,418	171,982	203,400
Textbooks	5,951		5,951
General supplies	149,469	107,459	256,928
Other Objects			
	<hr/>	<hr/>	<hr/>
Total instruction	1,357,780	606,270	1,964,050
Support services:			
Salaries - supervisor of instruction	64,804	158,863	223,667
Salaries	12,000	123,579	135,579
Salaries of Other Professionals	80,367		80,367
Salaries of Secretaries	31,200		31,200
Personal services-employee benefits	266,854	97,925	364,779
PEA Comm. Parent Inv.	19,837		19,837
PEA Master	31,375		31,375
Purchased prof. - tech. services	8,990	24,002	32,992
Purchased prof. - educ. services		15,660	15,660
Other purchased services	11,524	1,288	12,812
Rentals	123,631		123,631
Supplies	12,696	3,079	15,775
	<hr/>	<hr/>	<hr/>
Total support services	663,278	424,396	1,087,674
Total Expenditures	2,021,058	1,030,666	3,051,724
Other financing sources (uses)			
Transfer in from General Fund	148,850		148,850
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	148,850		148,850
Total outflows	1,872,208	1,030,666	2,902,874
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COLLINGSWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2020

	Preschool Expansion	Nonpublic Comp. Ed.	Nonpublic Security	Nonpublic Exam & Class.	Nonpublic Speech	Nonpublic Supplemental Instruction	Nonpublic Textbooks	Nonpublic Nursing	Nonpublic Technology	Page Total
REVENUES:										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,788,795	26,688	16,841	10,960	5,833	4,857	5,951	11,524	759	1,872,208
Federal sources										
Total Revenues	1,788,795	26,688	16,841	10,960	5,833	4,857	5,951	11,524	759	1,872,208
EXPENDITURES:										
Instruction:										
Salaries of teachers	857,845									857,845
Other Salaries	4,447									4,447
Purchased prof. - tech. services				10,960	5,833	4,857				21,650
Purchased prof. - educ. services	287,000									287,000
Other purchased services	4,730	26,688								31,418
Textbooks							5,951			5,951
General supplies	131,869		16,841						759	149,469
Total instruction	1,285,891	26,688	16,841	10,960	5,833	4,857	5,951		759	1,357,780
Support services:										
Salaries	64,804									64,804
Other Salaries	12,000									12,000
Salaries of Other Professionals	80,367									80,367
Salaries of Secretaries	31,200									31,200
Personal services-employee benefits	266,854									266,854
PEA Comm. Parent Inv.	19,837									19,837
PEA Master	31,375									31,375
Purchased prof. - tech. services	8,990									8,990
Other purchased services								11,524		11,524
Rentals	123,631									123,631
Supplies	12,696									12,696
Total support services	651,754							11,524		663,278
Total Expenditures	1,937,645	26,688	16,841	10,960	5,833	4,857	5,951	11,524	759	2,021,058
Other financing sources (uses)										
Transfer in from General Fund	148,850									148,850
Total other financing sources (uses)	148,850									148,850
Total outflows	1,788,795	26,688	16,841	10,960	5,833	4,857	5,951	11,524	759	1,872,208
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

COLLINGSWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2020

	Title I	Reallocated Title I	Title IIA	Title IV	IDEA Basic	IDEA Preschool	Page Total
REVENUES:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources							-
Federal sources	370,164	22,780	37,312	26,396	561,287	12,727	1,030,666
Total Revenues	<u>370,164</u>	<u>22,780</u>	<u>37,312</u>	<u>26,396</u>	<u>561,287</u>	<u>12,727</u>	<u>1,030,666</u>
EXPENDITURES:							
Instruction:							
Salaries of teachers	92,244	5,653	14,589			12,727	125,213
Purchased prof. - tech. services					201,616		201,616
Other purchased services					171,982		171,982
General supplies	53,586	6,616		8,119	39,138		107,459
Other Object							
Total instruction	<u>145,830</u>	<u>12,269</u>	<u>14,589</u>	<u>8,119</u>	<u>412,736</u>	<u>12,727</u>	<u>606,270</u>
Support services:							
Salaries - supervisor of instruction	141,885			16,978			158,863
Salaries			5,365		118,214		123,579
Personal services-employee benefits	82,449	432	410	1,299	13,335		97,925
Purchased prof. - tech. services		7,000			17,002		24,002
Purchased prof. - educ. services			15,660				15,660
Other purchased services			1,288				1,288
Travel							
Supplies		3,079					3,079
Total support services	<u>224,334</u>	<u>10,511</u>	<u>22,723</u>	<u>18,277</u>	<u>148,551</u>		<u>424,396</u>
Total Expenditures	<u>370,164</u>	<u>22,780</u>	<u>37,312</u>	<u>26,396</u>	<u>561,287</u>	<u>12,727</u>	<u>1,030,666</u>
Other financing sources (uses)							
Transfer in from General Fund							
Total other financing sources (uses)							
Total outflows	<u>370,164</u>	<u>22,780</u>	<u>37,312</u>	<u>26,396</u>	<u>561,287</u>	<u>12,727</u>	<u>1,030,666</u>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Collingswood School District
Special Revenue Fund
Schedule of Preschool Education Aid Expenditures
Preschool - Full Day 3yr & 4 yr - Regular
Budgetary Basis
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 803,250	\$ 173,340	\$ 976,590	\$ 857,845	\$ 118,745
Other Salaries for Instruction	-	4,450	4,450	4,448	2
Purchased Professional & Technical Services	407,350	(96,850)	310,500	287,000	23,500
Other Purchased Services (400-500 series)	1,860	2,900	4,760	4,730	30
General Supplies	133,008	-	133,008	131,869	1,139
Total instruction	1,345,468	83,840	1,429,308	1,285,892	143,416
Support services:					
Salaries of Program Directors	64,500	304	64,804	64,804	-
Salaries of Other Professional Staff	80,387	-	80,387	80,367	20
Salaries of Secretaries	25,200	6,000	31,200	31,200	-
Other Salaries	37,000	12,000	49,000	12,000	37,000
Salaries of Community Parent Involvement Spec.	23,637	(800)	22,837	19,837	3,000
Salaries of Master Teachers	30,875	500	31,375	31,375	-
Personal Services - Employee Benefits	332,850	27,896	360,746	266,854	93,892
Purchased Professional - Educational Services	15,500	-	15,500	8,990	6,510
Rentals	140,000	-	140,000	123,631	16,369
Contracted Services (Other Than Between Home and School)	4,000	-	4,000	-	4,000
Supplies & Materials	1,999	10,800	12,799	12,695	104
Total support services	755,948	56,700	812,648	651,753	160,895
Facilities acquisition and cont. serv:					
Instructional equipment	34,188	(34,188)	-	-	-
Noninstructional equipment	-	22,188	22,188	-	22,188
Total Facilities acquisition and cont. serv.	34,188	(12,000)	22,188	-	22,188
Total Program Expenditures	\$ 2,135,604	\$ 128,540	\$ 2,264,144	\$ 1,937,645	\$ 326,499

Proprietary Funds

COLLINGSWOOD SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Maintenance Services
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 148,762	\$ 9,903	\$ 28,326
Intergovernmental receivables:			
State Aid	1,954	-	-
Federal Aid	23,980	-	-
Other	-	-	9,824
Inventories	20,395	-	-
Total current assets	<u>195,091</u>	<u>9,903</u>	<u>38,150</u>
Noncurrent Assets:			
Equipment	275,456	-	-
Less - accumulated depreciation	<u>(210,698)</u>	<u>-</u>	<u>-</u>
Total Noncurrent Assets	<u>64,758</u>	<u>-</u>	<u>-</u>
Total Assets	<u>259,849</u>	<u>9,903</u>	<u>38,150</u>
LIABILITIES:			
Current liabilities:			
Interfund payable	38,428	-	35,612
Accounts payable	3,151	-	2,538
Unearned revenue	<u>14,907</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>56,486</u>	<u>-</u>	<u>38,150</u>
NET POSITION:			
Net investment in capital assets	64,758	-	-
Unrestricted	<u>138,605</u>	<u>9,903</u>	<u>-</u>
Total Net Position	<u>\$ 203,363</u>	<u>\$ 9,903</u>	<u>\$ -</u>

COLLINGSWOOD SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

	Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Maintenance Services
Operating Revenues:			
Charges for services:			
Daily sales - reimbursable programs	\$ 80,049	\$ -	\$ -
Daily sales - non-reimbursable programs	84,619	-	-
Maintenance fees from other LEA's	-	-	979,721
Miscellaneous	-	20,250	-
Special functions	2,387	-	-
Total Operating Revenues	<u>167,055</u>	<u>20,250</u>	<u>979,721</u>
Operating Expenses:			
Cost of sales-Reimbursable	196,621	-	-
Cost of sales-Nonreimbursable	37,407	-	-
Salaries	197,334	11,000	-
Personal services - employee benefits	63,856	-	-
Supplies	24,478	1,861	-
Purchased services	49,496	4,322	-
Other costs	35,452	-	979,721
Depreciation	16,220	-	-
Total Operating Expenses	<u>620,864</u>	<u>17,183</u>	<u>979,721</u>
Operating Income (Loss)	<u>(453,809)</u>	<u>3,067</u>	<u>-</u>
Nonoperating Revenues (Expenses):			
State sources:			
State school lunch program	7,255	-	-
Federal sources:			
National school lunch program	262,956	-	-
National school breakfast program	107,055	-	-
Food distribution program	36,802	-	-
Interest on investments	611	-	-
Total Nonoperating Revenues	<u>414,679</u>	<u>-</u>	<u>-</u>
Change in Net Position	(39,130)	3,067	-
Net Position - July 1, 2019	<u>242,493</u>	<u>6,836</u>	<u>-</u>
Net Position - June 30, 2020	<u>\$ 203,363</u>	<u>\$ 9,903</u>	<u>\$ -</u>

COLLINGSWOOD SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2020

	Business-Type Activities		Governmental
	Enterprise Funds		Activities
	Food	Summer	Internal Service
	Service	Theater	Funds
			Maintenance
			Services
Cash Flows from Operating Activities:			
Cash receipts from customers	\$ 174,933	\$ 9,882	\$ 974,210
Cash receipts from vendor	-	318	-
Cash payments to employees for services	(220,914)	(11,000)	(1,353,844)
Cash payments to suppliers for goods and services	(311,662)	(6,183)	-
Net cash used by operating activities	<u>(357,643)</u>	<u>(6,983)</u>	<u>(379,634)</u>
Cash Flows from Noncapital Financing Activities:			
Cash received from state sources	5,624	-	-
Cash received from federal sources	366,020	-	-
Net cash provided by noncapital financing activities	<u>371,644</u>	<u>-</u>	<u>-</u>
Cash Flow Provided by Investing Activities:			
Interest on cash equivalents	611	-	-
Net increase (decrease) in cash and cash equivalents	14,612	(6,983)	(379,634)
Cash and cash equivalents - July 1, 2019	<u>134,150</u>	<u>16,886</u>	<u>407,960</u>
Cash and cash equivalents - June 30, 2020	<u>\$ 148,762</u>	<u>\$ 9,903</u>	<u>\$ 28,326</u>
Reconciliation of operating income (loss)			
to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (453,809)	\$ 3,067	\$ -
Adjustments to reconcile operating income (loss)			
to cash provided by (used for) operating activities:			
Depreciation	16,220	-	-
Commodities	36,802	-	-
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	-	-	(5,510)
(Increase) decrease in inventory	(6,313)	-	-
Increase (decrease) in interfund payable	38,428	-	(374,213)
Increase (decrease) in unearned revenue	7,878	(10,050)	-
Increase (decrease) in accounts payable	3,151	-	89
Net cash provided by (used for) operating activities	<u>\$ (357,643)</u>	<u>\$ (6,983)</u>	<u>\$ (379,634)</u>

Fiduciary Funds

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2020

	Trust Funds			Agency Funds		Totals
	Unemployment Compensation Insurance Trust	Flexible Benefits Trust	Scholarship Trust	Student Activity	Payroll	
ASSETS:						
Cash and cash equivalents	\$ 858,260	\$ 17,476	\$ 176,545	\$ 257,941	\$ 209,855	\$ 1,520,077
Total Assets	<u>858,260</u>	<u>17,476</u>	<u>176,545</u>	<u>257,941</u>	<u>209,855</u>	<u>1,520,077</u>
LIABILITIES:						
Payroll deductions and withholdings	1,028	-	-	-	209,855	210,883
Accounts payable	23,881	-	-	-	-	23,881
Interfund payable	-	-	-	62	-	62
Due to student groups	-	-	-	257,879	-	257,879
Total Liabilities	<u>24,909</u>	<u>-</u>	<u>-</u>	<u>\$ 257,941</u>	<u>\$ 209,855</u>	<u>492,705</u>
NET POSITION:						
Held in trust for payment of claims	833,351	17,476	-			850,827
Held in trust for scholarships	-	-	176,545			176,545
Total Net Position	<u>\$ 833,351</u>	<u>\$ 17,476</u>	<u>\$ 176,545</u>			<u>\$ 1,027,372</u>

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2020

	Flexible Benefits Trust Fund	Scholarship Trust Fund	Unemployment Compensation Insurance Trust Fund	Totals
ADDITIONS:				
Interest on investments	\$ 40	\$ 3,361	\$ 10,095	\$ 13,496
Contributions	35,265	21,225	39,313	95,803
Total Additions	35,305	24,586	49,408	109,299
DEDUCTIONS:				
Claims paid	32,415	-	47,026	79,441
Scholarships paid	-	27,525	-	27,525
Total Deductions	32,415	27,525	47,026	106,966
Change in Net Position	2,890	(2,939)	2,382	2,333
Net Position -- July 1, 2019	14,586	179,484	830,969	1,025,039
Net Position -- June 30, 2020	<u>\$ 17,476</u>	<u>\$ 176,545</u>	<u>\$ 833,351</u>	<u>\$ 1,027,372</u>

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Student Activity Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2020

	<u>Balance</u> <u>June 30, 2019</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2020</u>
Elementary Schools	\$ 39,458	\$ 14,245	\$ 12,882	\$ (81)	\$ 40,740
Middle School	30,364	66,233	63,740	330	33,187
High School	118,749	178,862	161,061	(278)	136,272
Athletics	33,894	80,912	67,478	12	47,340
District	652	4,273	4,523		402
Total all schools	<u>\$ 223,117</u>	<u>\$ 344,525</u>	<u>\$ 309,684</u>	<u>\$ (17)</u>	<u>\$ 257,941</u>

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Payroll Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2020

	<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
ASSETS:				
Cash and cash equivalents	\$ 189,650	\$ 25,827,117	\$ 25,806,912	\$ 209,855
Total Assets	<u>\$ 189,650</u>	<u>\$ 25,827,117</u>	<u>\$ 25,806,912</u>	<u>\$ 209,855</u>
 LIABILITIES:				
Net payroll	\$ -	\$ 13,906,215	\$ 13,906,215	\$ -
Interfund payable	140	2,876	3,016	-
Payroll deductions and withholdings	<u>189,510</u>	<u>11,918,026</u>	<u>11,897,681</u>	<u>209,855</u>
Total Liabilities	<u>\$ 189,650</u>	<u>\$ 25,827,117</u>	<u>\$ 25,806,912</u>	<u>\$ 209,855</u>

Long-Term Debt Schedules

COLLINGSWOOD SCHOOL DISTRICT
Statement of Serial Bonds
For the Fiscal Year Ended June 30, 2020

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance June 30, 2019	Issued	Retired	Balance June 30, 2020
			Date	Amount					
Refunding School Bonds	12/01/12	\$ 14,775,000	6/1/2021	\$ 910,000	4.000%	\$ 11,455,000	\$ -	\$ 860,000	\$ 10,595,000
			6/1/2022	910,000	4.000%				
			6/1/2023	955,000	4.000%				
			6/1/2024	1,010,000	5.000%				
			6/1/2025	1,070,000	5.000%				
			6/1/2026	1,120,000	4.000%				
			6/1/2027	1,135,000	2.500%				
			6/1/2028	1,140,000	2.500%				
			6/1/2029	1,170,000	2.750%				
			6/1/2030	1,175,000	2.750%				
						<u>\$ 11,455,000</u>	<u>\$ -</u>	<u>\$ 860,000</u>	<u>\$ 10,595,000</u>

COLLINGSWOOD SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources:					
Local tax levy	\$ 1,275,562	\$ -	\$ 1,275,562	\$ 1,275,562	\$ -
Total Revenues	<u>1,275,562</u>	<u>-</u>	<u>1,275,562</u>	<u>1,275,562</u>	<u>-</u>
EXPENDITURES:					
Regular debt service:					
Redemption of principal	860,000		860,000	860,000	
Interest	<u>415,562</u>		<u>415,562</u>	<u>415,562</u>	
Total regular debt service	<u>1,275,562</u>	<u>-</u>	<u>1,275,562</u>	<u>1,275,562</u>	<u>-</u>
Excess (Deficiency) of revenues over (under) expenditures	-		-	-	
Other Financing Sources:					
Operating transfers in	<u>-</u>			<u>-</u>	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	-	-	-	-	-
Fund Balance - July 1, 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Statistical Section

Collingswood School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

J-1

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
Net investment in capital assets	\$ 20,075,116	\$ 19,552,212	\$ 19,498,672	\$ 18,776,461	\$ (5,499,663)	\$ (4,866,594)	\$ (4,069,608)	\$ (3,470,975)	\$ (2,420,772)	\$ (1,163,851)
Restricted for:										
Capital projects	345,784	448,784	951,244	704,304	813,471	815,505	1,137,539	1,141,094	393,049	946,348
Debt service		91,722	38,120	19,755	1	-	-	-	-	-
Other purposes	4,841,916	6,232,436	5,715,090	5,761,323	4,780,464	4,374,319	4,345,163	4,354,327	4,320,800	3,640,208
Unrestricted	(834,943)	(922,763)	(841,687)	(650,882)	(9,507,297)	(9,581,189)	(10,825,870)	(11,271,495)	(11,306,116)	(11,448,321)
Total governmental activities net position	<u>\$ 24,427,873</u>	<u>\$ 25,402,391</u>	<u>\$ 25,361,439</u>	<u>\$ 24,610,961</u>	<u>\$ (9,413,024)</u>	<u>\$ (9,257,959)</u>	<u>\$ (9,412,776)</u>	<u>\$ (9,247,049)</u>	<u>\$ (9,013,039)</u>	<u>\$ (8,025,616)</u>
Business-type activities:										
Net investment in capital assets	\$ 33,136	\$ 39,497	\$ 70,184	\$ 50,241	\$ 150,758	\$ 133,309	\$ 115,864	\$ 98,416	\$ 80,978	\$ 64,758
Unrestricted	204,576	171,649	143,325	147,058	127,500	129,180	143,616	168,854	168,351	148,508
Total business-type activities net position	<u>\$ 237,712</u>	<u>\$ 211,146</u>	<u>\$ 213,509</u>	<u>\$ 197,299</u>	<u>\$ 278,258</u>	<u>\$ 262,489</u>	<u>\$ 259,480</u>	<u>\$ 267,270</u>	<u>\$ 249,329</u>	<u>\$ 213,266</u>
District-wide:										
Net investment in capital assets	\$ 20,108,252	\$ 19,591,709	\$ 19,568,856	\$ 18,826,702	\$ (5,348,905)	\$ (4,733,285)	\$ (3,953,744)	\$ (3,372,559)	\$ (2,339,794)	\$ (1,099,093)
Restricted:										
Capital projects	345,784	448,784	951,244	704,304	813,471	815,505	1,137,539	1,141,094	393,049	946,348
Debt service		91,722	38,120	19,755	1	-	-	-	-	-
Other purposes	4,841,916	6,232,436	5,715,090	5,761,323	4,780,464	4,374,319	4,345,163	4,354,327	4,320,800	3,640,208
Unrestricted	(630,367)	(751,114)	(698,362)	(503,824)	(9,379,797)	(9,452,009)	(10,682,254)	(11,102,641)	(11,137,765)	(11,299,813)
Total district net position	<u>\$ 24,665,585</u>	<u>\$ 25,613,537</u>	<u>\$ 25,574,948</u>	<u>\$ 24,808,260</u>	<u>\$ (9,134,766)</u>	<u>\$ (8,995,470)</u>	<u>\$ (9,153,296)</u>	<u>\$ (8,979,779)</u>	<u>\$ (8,763,710)</u>	<u>\$ (7,812,350)</u>

Collingswood School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

J-2

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 9,845,258	\$ 9,965,762	\$ 9,948,024	\$ 10,254,244	\$ 10,881,367	\$ 10,634,149	\$ 10,994,034	\$ 11,398,501	\$ 12,123,288	\$ 13,377,416
Special education	3,099,125	2,855,516	3,189,373	3,194,621	3,022,304	2,858,171	3,122,725	3,163,977	3,504,519	3,554,056
Other instruction	1,451,420	1,554,714	1,609,605	1,593,306	1,582,734	1,623,513	1,672,049	1,794,178	1,758,331	1,771,805
Support Services:										
Tuition	770,843	848,489	772,694	609,230	445,406	637,640	567,089	505,079	645,776	679,276
Student & instruction related services	3,038,583	3,145,003	3,413,607	3,414,395	3,648,677	3,732,662	3,815,419	3,994,223	4,473,931	4,921,695
School administrative services	1,321,990	1,355,675	1,364,083	1,295,442	1,250,810	1,281,363	1,299,769	1,328,596	1,337,230	1,495,713
General and business administrative services	1,058,461	1,037,843	995,355	1,103,148	1,033,253	1,059,720	1,195,804	1,131,709	1,221,805	1,150,208
Plant operations and maintenance	3,339,933	3,930,014	3,947,059	4,427,653	4,250,723	3,311,375	3,301,091	3,553,923	3,917,646	3,371,385
Pupil transportation	419,354	390,946	441,979	469,426	536,512	494,675	500,288	580,995	569,659	600,533
Business and other support services										
Unallocated employee benefits	6,950,050	7,402,029	8,323,551	8,104,380	9,002,475	9,782,831	10,997,946	23,466,471	20,730,545	19,913,542
Special schools	99,034	91,372	138,264	109,557	137,896	165,542	139,616	291,824	237,282	308,158
Interest on long-term debt	752,650	727,815	627,683	576,497	560,100	531,089	495,075	471,713	445,863	413,196
Unallocated depreciation	35,510	35,668	34,393	41,232	34,232	31,207	40,707	39,320	13,177	13,176
Total governmental activities expenses	<u>32,182,211</u>	<u>33,340,846</u>	<u>34,805,670</u>	<u>35,193,131</u>	<u>36,386,489</u>	<u>36,143,937</u>	<u>38,141,612</u>	<u>51,720,509</u>	<u>50,979,052</u>	<u>51,570,159</u>
Business-type activities:										
Food service	626,858	691,309	722,874	665,433	622,785	640,725	619,220	638,343	692,422	620,864
Flip Tech								5,441	-	-
Summer Theater						35,574	29,498	17,494	17,782	17,183
Total business-type activities expense	<u>626,858</u>	<u>691,309</u>	<u>722,874</u>	<u>665,433</u>	<u>622,785</u>	<u>676,299</u>	<u>648,718</u>	<u>661,278</u>	<u>710,204</u>	<u>638,047</u>
Total district expenses	<u>\$ 32,809,069</u>	<u>\$ 34,032,155</u>	<u>\$ 35,528,544</u>	<u>\$ 35,858,564</u>	<u>\$ 37,009,274</u>	<u>\$ 36,820,236</u>	<u>\$ 38,790,330</u>	<u>\$ 52,381,787</u>	<u>\$ 51,689,256</u>	<u>\$ 52,208,206</u>
Program Revenues:										
Governmental activities:										
Charges for services	\$ 4,924,948	\$ 5,228,802	\$ 4,742,946	\$ 4,413,861	\$ 4,883,512	\$ 4,627,337	\$ 4,695,280	\$ 5,031,214	\$ 6,415,433	\$ 6,655,543
Operating grants and contributions	3,173,864	3,246,828	4,180,541	3,683,273	4,219,019	4,726,532	5,458,640	18,680,520	16,439,633	16,728,335
Capital grants and contributions										
Total governmental activities program revenues	<u>8,098,812</u>	<u>8,475,630</u>	<u>8,923,487</u>	<u>8,097,134</u>	<u>9,102,531</u>	<u>9,353,869</u>	<u>10,153,920</u>	<u>23,711,734</u>	<u>22,855,066</u>	<u>23,383,878</u>

(Continued)

Collingswood School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

J-2

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Charges for services	\$ 304,260	\$ 299,210	\$ 307,430	\$ 233,058	\$ 191,449	\$ 249,835	\$ 237,700	\$ 238,902	\$ 266,579	\$ 187,305
Operating grants and contributions	319,109	347,813	359,117	362,920	371,489	410,561	407,836	429,866	424,994	414,068
Capital grants and contributions										
Total business type activities program revenues	623,369	647,023	666,547	595,978	562,938	660,396	645,536	668,768	691,573	601,373
Total district program revenues	\$ 8,722,181	\$ 9,122,653	\$ 9,590,034	\$ 8,693,112	\$ 9,665,469	\$ 10,014,265	\$ 10,799,456	\$ 24,380,502	\$ 23,546,639	\$ 23,985,251
Net (Expense)/Revenue:										
Governmental activities	\$ (24,083,399)	\$ (24,865,216)	\$ (25,882,183)	\$ (27,095,997)	\$ (27,283,958)	\$ (26,790,068)	\$ (27,987,692)	\$ (28,008,775)	\$ (28,123,986)	\$ (28,186,281)
Business-type activities	(3,489)	(44,286)	(56,327)	(69,455)	(59,847)	(15,903)	(3,182)	7,490	(18,631)	(36,674)
Total district-wide net expense	\$ (24,086,888)	\$ (24,909,502)	\$ (25,938,510)	\$ (27,165,452)	\$ (27,343,805)	\$ (26,805,971)	\$ (27,990,874)	\$ (28,001,285)	\$ (28,142,617)	\$ (28,222,955)
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 13,865,535	\$ 13,934,863	\$ 13,854,194	\$ 13,854,194	\$ 14,131,278	\$ 14,610,216	\$ 15,268,576	\$ 15,743,934	\$ 16,058,813	\$ 16,641,350
Taxes levied for debt service	1,354,713	1,354,962	1,280,826	1,295,597	1,264,634	1,279,812	1,272,013	1,293,763	1,289,163	1,275,562
Unrestricted grants and contributions	9,807,569	10,365,425	10,211,300	10,748,202	10,529,933	10,605,731	10,688,453	10,540,727	10,639,679	10,634,586
State aid restricted for capital projects	105,000									
Investment earnings	19,268	3,000	2,460	2,060	1,761	2,034	2,034	3,555	2,080	4,467
Miscellaneous income	567,278	180,837	538,057	498,457	261,981	447,340	601,799	592,523	368,261	617,739
Loss on disposal of assets										
State aid canceled on completed projects	(323,433)	18,367	-	-	-	-	-	-	-	-
Transfers	8,172	(17,720)	(8,000)	(52,991)	(22,712)	-	-	-	-	-
Total governmental activities	25,404,102	25,839,734	25,878,837	26,345,519	26,166,875	26,945,133	27,832,875	28,174,502	28,357,996	29,173,704
Business-type activities:										
Investment earnings			60	254	133	134	173	300	-	611
Contributed capital			50,630	-	-	-	-	-	-	-
Transfers	(8,172)	17,720	8,000	52,991	22,712	-	-	-	-	-
Total business-type activities	(8,172)	17,720	58,690	53,245	22,845	134	173	300	-	611
Total district-wide	\$ 25,395,930	\$ 25,857,454	\$ 25,937,527	\$ 26,398,764	\$ 26,189,720	\$ 26,945,267	\$ 27,833,048	\$ 28,174,802	\$ 28,357,996	\$ 29,174,315
Change in Net Position:										
Governmental activities	\$ 1,320,703	\$ 974,518	\$ (3,346)	\$ (750,478)	\$ (1,117,083)	\$ 155,065	\$ (154,817)	\$ 165,727	\$ 234,010	\$ 987,423
Business-type activities	(11,661)	(26,566)	2,363	(16,210)	(37,002)	(15,769)	(3,009)	7,790	(18,631)	(36,063)
Total district-wide	\$ 1,309,042	\$ 947,952	\$ (983)	\$ (766,688)	\$ (1,154,085)	\$ 139,296	\$ (157,826)	\$ 173,517	\$ 215,379	\$ 951,360

Collingswood School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Restricted for										
Capital reserve	\$ 345,784	\$ 448,784	\$ 951,244	\$ 704,304	\$ 813,471	\$ 815,505	\$ 1,137,539	\$ 1,141,094	\$ 393,049	\$ 946,348
Excess surplus	2,234,598	2,313,050	2,402,196	2,376,577	2,017,432	2,012,729	2,016,939	2,029,604	3,240,426	2,868,855
Future tuition payments	850,000	850,000	430,000	-	-	-	-	-	-	-
Maintenance reserve	-	-	250,000	250,000	250,000	250,000	250,000	250,000	250,125	451,375
Assigned to:										
Year-end Encumbrances	90,882	472,335	197,842	90,088	78,818	40,483	65,495	57,784	59,147	319,978
Designated for subsequent year's budget	1,348,469	2,531,533	2,435,052	2,533,825	2,376,577	2,071,107	2,012,729	2,016,939	771,102	-
ARRA/SEMI - Designated for subsequent year's budget	-	-	-	-	27,712	-	-	-	-	-
Unassigned	(312,147)	(394,584)	(332,807)	(355,456)	(379,366)	(348,741)	(336,827)	(323,421)	(289,924)	(264,227)
Total general fund	<u>\$ 4,557,586</u>	<u>\$ 6,221,118</u>	<u>\$ 6,333,527</u>	<u>\$ 5,599,338</u>	<u>\$ 5,184,644</u>	<u>\$ 4,841,083</u>	<u>\$ 5,145,875</u>	<u>\$ 5,172,000</u>	<u>\$ 4,423,925</u>	<u>\$ 4,322,329</u>
All Other Governmental Funds										
Unreserved, reported in:										
Special revenue fund	\$ 62,106	\$ 65,518	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital projects fund	255,860	-	-	510,833	-	-	-	-	-	-
Debt service fund	73,356	91,722	38,120	19,755	1	-	-	-	-	-
Total all other governmental funds	<u>\$ 391,322</u>	<u>\$ 157,240</u>	<u>\$ 38,120</u>	<u>\$ 530,588</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Collingswood School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

J-4

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Tax levy	\$ 15,220,248	\$ 15,289,825	\$ 15,135,020	\$ 15,149,791	\$ 15,395,912	\$ 15,890,028	\$ 16,540,589	\$ 17,037,697	\$ 17,347,976	\$ 17,916,912
Tuition charges	4,924,948	4,736,771	4,289,216	4,413,861	4,883,512	4,627,337	4,695,280	5,031,214	6,415,433	6,655,543
Interest earnings	19,268	3,000	2,460	2,060	1,761	2,034	2,034	3,555	2,080	4,467
Miscellaneous	567,278	246,133	458,027	498,457	261,981	447,340	606,546	604,145	370,128	617,739
State sources	11,899,773	12,507,606	13,425,090	13,483,918	13,566,973	14,312,299	14,892,110	15,503,203	16,927,683	18,645,615
Federal sources	1,186,660	1,104,647	966,743	947,557	1,181,979	1,019,964	1,250,236	1,064,759	1,033,550	1,082,354
Total revenue	33,818,175	33,887,982	34,276,556	34,495,644	35,292,118	36,299,002	37,986,795	39,244,573	42,096,850	44,922,630
Expenditures										
Instruction										
Regular Instruction	9,024,146	9,156,935	9,100,374	9,343,192	10,267,722	10,412,950	10,740,970	10,942,303	11,707,232	12,697,595
Special education instruction	3,099,125	3,189,373	3,189,373	3,194,621	3,022,304	2,858,171	3,122,725	3,163,977	3,504,519	3,554,056
Other instruction	1,451,420	1,554,714	1,609,605	1,593,306	1,582,734	1,623,513	1,672,049	1,794,178	1,758,331	1,771,805
Support Services:										
Tuition	770,843	848,489	772,694	609,230	445,406	637,640	567,089	505,079	645,776	679,276
Student & instruction related services	3,038,583	3,145,003	3,413,607	3,414,395	3,648,677	3,732,662	3,815,419	3,995,266	4,473,931	4,921,695
School administrative services	1,321,990	1,355,675	1,364,083	1,295,442	1,250,810	1,281,363	1,299,769	1,328,596	1,706,458	1,495,713
General and business admin. services	913,792	936,775	892,174	990,925	964,790	997,347	1,140,745	1,079,420	1,796,578	1,093,101
Plant operations and maintenance	2,991,063	2,789,911	2,877,765	3,206,745	3,235,748	3,150,310	3,130,011	3,210,752	3,243,416	3,188,042
Pupil transportation	419,354	390,946	441,979	469,426	536,512	494,675	500,288	580,995	569,659	600,533
Other support services	6,950,050	7,402,029	8,323,551	8,104,380	8,880,918	9,444,269	9,620,237	10,466,037	11,552,153	12,373,020
Special Schools	12,076	7,618	1,617	949	6,198	19,439	13,689	11,985	12,590	11,128
Charter Schools	86,958	83,754	136,647	108,608	131,698	146,103	125,927	279,839	224,692	297,030
Capital outlay	381,166	576,851	808,680	1,039,193	956,782	564,309	661,072	566,258	1,360,427	1,065,670
Debt service:										
Principal	600,000	625,000	705,000	735,000	735,000	760,000	775,000	820,000	840,000	860,000
Interest and other charges	754,713	729,963	638,118	578,962	549,388	519,813	497,013	473,763	449,163	415,562
Total expenditures	31,815,279	32,459,179	34,275,267	34,684,374	36,214,687	36,642,564	37,682,003	39,218,448	42,844,925	45,024,226
Excess (Deficiency) of revenues over (under) expenditures	2,002,896	1,428,803	1,289	(188,730)	(922,569)	(343,562)	304,792	26,125	(748,075)	(101,596)
Other Financing sources (uses)										
Prior year arbitrage rebate canceled	-	-	-	-	-	-	-	-	-	-
Prior year state aid receivable canceled	(323,433)	18,367	-	-	-	-	-	-	-	-
Transfers in	234,109	18,367	-	-	107,406	-	-	-	-	148,850
Transfers out	(225,937)	(36,087)	(8,000)	(52,991)	(130,118)	-	-	-	-	(148,850)
Total other financing sources (uses)	(315,261)	647	(8,000)	(52,991)	(22,712)	-	-	-	-	-
Net change in fund balances	\$ 1,687,635	\$ 1,429,450	\$ (6,711)	\$ (241,721)	\$ (945,281)	\$ (343,562)	\$ 304,792	\$ 26,125	\$ (748,075)	\$ (101,596)
Debt service as a percentage of noncapital expenditures	4.31%	4.25%	4.01%	3.91%	3.64%	3.55%	3.44%	3.35%	3.11%	2.90%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Collingswood School District
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

J-5

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Admission Fees	Prior Year Refunds	E-Rate Rebates	Preschool Registration Fees	Shared Services	Rentals	Activity Fees	Miscellaneous	Total
2011	\$ 78,676	\$ 4,924,948	\$ 13,142	\$ 147,598	\$ 306	\$ 25,880	\$ 244,654	\$ 1,775	\$ 69,789	\$ 4,726	\$ 5,511,494
2012	58,981	4,736,771	10,839	14,381	35,059	2,360	80,410	2,793	41,261	3,049	4,985,904
2013	48,094	4,209,178	9,938	21,303	19,329	80,038	283,934	1,350	66,575	1,266	4,741,005
2014	20,968	4,413,861	14,995	15,498	-	127,205	237,837	850	40,158	43,006	4,914,378
2015	17,360	4,883,512	11,570	12,224	-	-	167,628	100	41,082	8,897	5,142,373
2016	15,416	4,627,337	12,278	19,982	-	-	311,867	3,120	38,412	36,061	5,064,473
2017	15,309	4,695,280	11,552	119,365	-	-	379,724	3,700	40,531	33,652	5,299,113
2018	21,220	5,031,214	9,504	168,808	-	-	293,693	5,685	46,075	51,093	5,627,292
2019	35,010	6,415,433	10,088	38,128	71,513	-	116,132	34,700	46,000	18,770	6,785,774
2020	30,107	6,655,543	13,041	463,959	-	-	35,612	28,215	45,500	1,305	7,273,282
	<u>\$ 341,141</u>	<u>\$ 50,593,077</u>	<u>\$ 116,947</u>	<u>\$ 1,021,246</u>	<u>\$ 126,207</u>	<u>\$ 235,483</u>	<u>\$ 2,151,491</u>	<u>\$ 82,288</u>	<u>\$ 475,383</u>	<u>\$ 201,825</u>	<u>\$55,345,088</u>

Source: District records

**Collingswood School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2011	\$ 7,978,300	\$ 908,133,700	\$ 116,485,000	\$ 40,066,800	\$ 1,072,663,800	\$ 3,786,375	\$ 1,076,450,175	\$ 288,171,200	\$ 1.380	\$ 1,159,612,944
2012	12,139,500	909,087,200	112,440,300	39,531,700	1,073,198,700		1,073,198,700	285,501,400	1.380	1,111,995,659
2013	8,313,700	913,740,100	114,053,300	38,400,700	1,074,507,800		1,074,507,800	279,504,700	1.389	1,078,383,548
2014	7,993,800	909,879,300	112,657,200	38,400,700	1,068,931,000		1,068,931,000	283,263,300	1.408	1,032,487,546
2015	7,696,400	909,569,100	109,533,700	37,733,700	1,064,532,900		1,064,532,900	281,795,500	1.449	1,016,624,555
2016	7,216,400	909,615,600	107,548,800	37,733,700	1,062,114,500		1,062,114,500	283,705,000	1.506	1,048,832,540
2017	8,048,800	909,873,500	107,150,600	37,747,200	1,062,820,100		1,062,820,100	279,919,400	1.559	1,067,934,503
2018	7,516,700	913,710,400	107,034,400	38,180,200	1,066,441,700		1,066,441,700	292,578,100	1.591	1,067,076,244
2019	7,343,400	914,915,200	106,416,400	38,180,200	1,066,855,200		1,066,855,200	292,442,800	1.622	1,084,468,508
2020	7,101,200	915,770,100	106,964,400	38,180,200	1,068,015,900		1,068,015,900	292,613,200	1.691	1,096,168,315

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, Improvements, and Equipment of Telephone, Telegraph and Messenger System Companies

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

c Not available.

R Reassessment

Collingswood School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

J-7

Fiscal Year Ended June 30,	Collingswood School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Collingswood	Camden County	Municipal Library	
2011	\$ 1.255	\$ 0.125	\$ 1.380	\$ 0.878	\$ 0.721	\$ -	\$ 2.979
2012	1.255	0.125	1.380	0.885	0.751	-	3.016
2013	1.269	0.120	1.389	0.882	0.785	0.033	3.089
2014	1.289	0.119	1.408	0.936	0.774	0.032	3.150
2015	1.330	0.119	1.449	0.971	0.789	0.031	3.240
2016	1.387	0.119	1.506	0.981	0.819	0.033	3.339
2017	1.439	0.120	1.559	0.993	0.843	0.033	3.428
2018	1.470	0.121	1.591	1.008	0.842	0.033	3.474
2019	1.502	0.120	1.622	1.024	0.828	0.034	3.508
2020	1.571	0.120	1.691	1.043	0.818	0.034	3.586

Source: Municipal Tax Collector

R Reassessment.

**Collingswood School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

J-8

Taxpayer	2020		Taxpayer	2011	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Cooper River Manor Investors	\$ 9,818,200	0.92%	Bell Atlantic	\$ 6,578,360	0.61%
Collingswood Assoc.	3,624,100	0.34%	Cooper River Manor Investors	4,343,200	0.40%
Parkview Urban Renewal LLC	3,384,000	0.32%	Station House Associates	3,175,600	0.30%
Wayne Gardens Apartments, LLC	3,326,100	0.31%	Collingswood Associates	2,651,700	0.25%
ACE Partnership	3,300,000	0.31%	Flaum Prop. Co.	1,441,400	0.13%
900 Haddon Avenue LLC	3,057,400	0.29%	ALDI, Inc.	1,210,000	0.11%
Crestwood Associates	2,751,000	0.26%	Crestwood Associates	1,188,000	0.11%
Aldi, Inc.	2,608,400	0.24%	ACE Partnerships	980,700	0.09%
ETM Properties LLC	2,449,300	0.23%	South Jersey S & L Association	898,800	0.08%
New Jersey Bell	1,990,000	0.19%	International Brotherhood Teamsters	875,400	0.08%
Total	<u>\$ 36,308,500</u>	<u>3.40%</u>		<u>\$ 23,343,160</u>	<u>2.17%</u>

Source: Municipal Tax Assessor

**Collingswood School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

J-9

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Calendar Year</u>	<u>Collected within the Fiscal Year of the Levy^a</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2011	\$ 15,220,248	\$ 15,220,248	100.00%	-
2012	15,289,825	15,289,825	100.00%	-
2013	15,135,020	15,135,020	100.00%	-
2014	15,149,791	15,149,791	100.00%	-
2015	15,395,912	15,395,912	100.00%	-
2016	15,890,028	15,890,028	100.00%	-
2017	16,540,589	16,540,589	100.00%	-
2018	17,037,697	17,037,697	100.00%	-
2019	17,347,976	17,347,976	100.00%	-
2020	17,916,912	17,916,912	100.00%	-

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

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

Collingswood School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

J-10

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities		Total District	Percentage of Personal Income ^b	Per Capita ^c
	General Obligation Bonds ^a	Capital Leases	Capital Leases				
2011	\$ 17,226,000	\$ -	\$ -		\$ 17,226,000	2.83%	1,239
2012	16,601,000				16,601,000	2.69%	1,197
2013	16,120,000				16,120,000	2.57%	1,164
2014	15,385,000				15,385,000	2.38%	1,115
2015	14,650,000				14,650,000	2.15%	1,053
2016	13,890,000				13,890,000	1.99%	997
2017	13,115,000				13,115,000	1.82%	943
2018	12,295,000				12,295,000	1.63%	884
2019	11,455,000				11,455,000	(1)	825
2020	10,595,000				10,595,000	(1)	(1)

Sources:

- a District Records
- b Personal Income has been estimated based upon the municipal population and per capita personal income.
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- (1) Unavailable.

Collingswood School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable ^b	Per Capita ^c
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding ^a		
2011	\$ 17,226,000	\$ -	\$ 17,226,000	1.60%	1,239
2012	16,601,000		16,601,000	1.55%	1,197
2013	16,120,000		16,120,000	1.50%	1,164
2014	15,385,000		15,385,000	1.44%	1,115
2015	14,650,000		14,650,000	1.38%	1,053
2016	13,890,000		13,890,000	1.31%	997
2017	13,115,000		13,115,000	1.23%	943
2018	12,295,000		12,295,000	1.15%	884
2019	11,455,000		11,455,000	1.07%	825
2020	10,595,000		10,595,000	0.99%	(1)

Sources:

- a District Records
- b Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- (1) Unavailable.

**Collingswood School District
 Ratios of Overlapping Governmental Activities Debt
 As of December 31, 2019**

J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Collingswood	\$ 33,185,000 (1)	100.000%	\$ 33,185,000
Camden County General Obligation Debt	357,727,729 (2)	2.787%	9,969,872
			43,154,872
Collingswood School District Direct Debt			11,455,000
Total direct and overlapping debt			\$ 54,609,872

Sources:

- (1) Entity's Audit Report
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2019 Equalized Valuation. The source for this computation was the 2019 County Abstract of Ratables, provided by the County Board of Taxation.

**Collingswood School District
Legal Debt Margin Information,
Last Ten Fiscal Years**
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2020

	Equalized valuation basis (1)	
	2017	\$ 1,059,746,834
	2018	1,080,269,145
	2019	1,091,635,322
		<u>\$ 3,231,651,301</u>
	Average equalized valuation of taxable property	<u>\$ 1,077,217,100</u>
	Debt limit (4% of average equalized valuation) (2)	\$ 43,088,684
	Net bonded school debt (3)	10,595,000
	Legal debt margin	<u>\$ 32,493,684</u>

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 43,844,606	\$ 43,772,249	\$ 43,549,552	\$ 42,617,720	\$ 41,551,671	\$ 41,233,075	\$ 41,663,234	\$ 42,260,707	\$ 42,706,411	\$ 43,088,684
Total net debt applicable to limit (3)	<u>17,826,000</u>	<u>16,601,000</u>	<u>16,120,000</u>	<u>15,385,000</u>	<u>14,650,000</u>	<u>13,890,000</u>	<u>13,115,000</u>	<u>12,295,000</u>	<u>11,455,000</u>	<u>10,595,000</u>
Legal debt margin	<u>\$ 26,018,606</u>	<u>\$ 27,171,249</u>	<u>\$ 27,429,552</u>	<u>\$ 27,232,720</u>	<u>\$ 26,901,671</u>	<u>\$ 27,343,075</u>	<u>\$ 28,548,234</u>	<u>\$ 29,965,707</u>	<u>\$ 31,251,411</u>	<u>\$ 32,493,684</u>
Total net debt applicable to the limit as a percentage of debt limit	40.66%	37.93%	37.02%	36.10%	35.26%	33.69%	31.48%	29.09%	26.82%	24.59%

Sources:

- (1) Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A:24-19 for a K through 8 district.
- (3) District Records

**Collingswood School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

J-14

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2011	13,899	\$ 608,706,705	\$ 43,795	9.8%
2012	13,865	618,268,080	44,592	9.9%
2013	13,854	626,699,544	45,236	8.8%
2014	13,799	647,242,095	46,905	5.8%
2015	13,918	680,464,938	48,891	4.6%
2016	13,927	698,634,028	50,164	4.1%
2017	13,906	721,053,912	51,852	3.8%
2018	13,901	752,085,803	54,103	3.4%
2019	13,884	e	e	3.0%
2020	e	e	e	e

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income has been established based upon the municipal population and per capita personal income presented.
- ^c Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- ^e Information not available

**Collingswood School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

J-16

Function/Program	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction										
Regular	141.1	144.0	142.0	143.0	147.0	141.0	149.0	149.5	163.0	172.0
Special education	43.2	50.0	69.0	67.0	67.5	64.0	62.0	59.0	61.3	61.0
Support Services:										
Student & instruction related services	36.0	36.0	60.0	54.5	48.0	48.0	48.0	49.0	50.0	48.0
School administrative services	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
General and business administrative services	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.0
Plant operations and maintenance	33.5	33.5	33.5	32.0	32.0	32.0	32.0	32.0	32.0	33.0
Business and other support services										
Total	<u>279.5</u>	<u>289.2</u>	<u>330.2</u>	<u>322.2</u>	<u>320.2</u>	<u>310.7</u>	<u>316.7</u>	<u>315.2</u>	<u>332.0</u>	<u>339.0</u>

Source:

District Personnel Records

Collingswood School District
 Operating Statistics,
 Last Ten Fiscal Years

J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Junior High School	Senior High School				
2011	1,860	\$ 30,083,839	\$ 16,174	0.33%	169	1:10.89	1:08.03	1:12.70	1,875.0	1,763.0	-2.02%	94.03%
2012	1,857	30,443,611	16,394	1.36%	168	1:10.89	1:08.03	1:12.70	1,857.0	1,724.3	-0.96%	92.86%
2013	1,876	32,123,469	17,123	4.45%	168	1:10.89	1:08.03	1:12.70	1,853.0	1,731.2	-0.96%	93.43%
2014	1,885	32,331,219	17,152	0.17%	167	1:10.89	1:08.03	1:12.70	1,867.2	1,756.2	-0.96%	94.06%
2015	1,891	33,973,517	17,966	4.75%	167	1:10.89	1:08.03	1:12.70	1,873.0	1,765.9	0.31%	94.28%
2016	1,942	34,798,442	17,919	-0.26%	167	1:10.89	1:08.03	1:12.70	1,946.3	1,837.0	3.91%	94.39%
2017	1,955	35,748,918	18,286	2.05%	167	1:10.89	1:08.03	1:12.70	1,950.3	1,837.4	-0.21%	94.21%
2018	1,991	37,358,427	18,764	2.61%	167	1:10.89	1:08.03	1:12.70	1,993.4	1,882.3	2.21%	94.43%
2019	2,129	40,195,335	18,880	0.62%	198	1:10.89	1:08.03	1:12.70	2,114.3	1,999.0	2.21%	94.56%
2020	2,233	42,682,994	19,115	1.24%	198	1:10.89	1:08.03	1:12.70	2,233.2	2,157.4	5.62%	96.61%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Collingswood School District
School Building Information
Last Ten Fiscal Years**

J-18

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>District Building</u>										
<u>Elementary</u>										
Garfield Elementary (1915)										
Square Feet	16,007	16,007	16,007	16,007	16,007	16,007	16,007	16,007	16,007	16,007
Capacity (students)	127	127	127	127	127	127	127	127	127	127
Enrollment	136	117	134	132	142	140	154	140	131	124
Newbie Elementary (1923)										
Square Feet	20,669	20,669	20,669	20,669	20,669	20,669	20,669	20,669	20,669	20,669
Capacity (students)	155	155	155	155	155	155	155	155	155	155
Enrollment	164	146	141	145	125	133	136	134	128	130
Sharp Elementary (1905)										
Square Feet	25,684	25,684	25,684	25,684	25,684	25,684	25,684	25,684	25,684	25,684
Capacity (students)	202	202	202	202	202	202	202	202	202	202
Enrollment	165	149	158	150	170	157	175	190	183	215
Tatem Elementary (1951)										
Square Feet	26,827	26,827	26,827	26,827	26,827	26,827	26,827	26,827	26,827	26,827
Capacity (students)	201	201	201	201	201	201	201	201	201	201
Enrollment	194	183	203	214	223	240	217	231	242	253
Zane North Elementary (1951)										
Square Feet	24,003	24,003	24,003	24,003	24,003	24,003	24,003	24,003	24,003	24,003
Capacity (students)	181	181	181	181	181	181	181	181	181	181
Enrollment	174	151	179	185	172	182	173	164	161	174
<u>Middle School</u>										
Collingswood Middle (1922)										
Square Feet	94,605	94,605	94,605	94,605	94,605	94,605	94,605	94,605	94,605	94,605
Capacity (students)	647	647	647	647	647	647	647	647	647	647
Enrollment	255	372	357	353	334	361	359	401	525	533
<u>Senior High School</u>										
Collingswood High School (1962)										
Square Feet	154,878	154,878	154,878	154,878	154,878	154,878	154,878	154,878	154,878	154,878
Capacity (students)	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055
Enrollment	823	690	681	688	707	729	741	733	744	751
<u>Other</u>										
Central Administration										
Square Feet	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Warehouse										
Square Feet	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Number of Schools at June 30, 2020										
Elementary = 5										
Middle School = 1										
Senior High School = 1										
Other = 0										

Source: District Facilities Office

Collingswood School District
 Schedule of Required Maintenance
 Last Ten Fiscal Years

J-19

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

Fiscal Year Ending June 30,											
* School Facilities	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
High School	\$ 90,381	\$ 129,342	\$ 137,690	\$ 393,406	\$ 424,661	\$ 413,619	\$ 426,111	\$ 407,238	\$ 395,145	\$ 391,632	\$ 3,209,225
Middle School	52,807	61,720	53,216	240,466	259,571	252,821	260,456	248,920	241,529	239,382	1,910,888
Garfield Elementary	7,027	19,940	41,555	40,538	43,759	42,621	43,908	41,964	40,717	40,356	362,385
Newbie Elementary	20,654	34,961	17,759	52,515	56,688	55,214	56,881	54,362	52,748	52,279	454,061
Sharp Elementary	14,226	22,203	36,878	65,414	70,611	68,775	70,852	67,714	65,703	65,119	547,495
Tatem Elementary	21,271	17,315	54,394	68,178	73,595	71,681	73,846	70,575	68,479	67,871	587,205
Zane North Elementary	20,571	40,940	17,276	60,808	65,638	63,931	65,863	62,945	61,076	60,532	519,580
Total School Facilities	\$ 226,937	\$ 326,421	\$ 358,768	\$ 921,325	\$ 994,523	\$ 968,662	\$ 997,917	\$ 953,718	\$ 925,397	\$ 917,171	\$ 7,590,839

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

Source: District records

**Collingswood School District
Insurance Schedule
June 30, 2020**

J-20

	<u>Coverage</u>	<u>Self-insured Retention</u>	<u>Deductible</u>
School Package Policy (1)			
Building and Contents (All Locations)			
Limits of liability per occurrence	\$ 175,000,000	\$ 250,000	\$ 500
Boiler and Machinery	125,000,000	250,000	1,000
Crime	500,000	250,000	500
General and Automobile Liability	20,000,000	250,000	
Workers' compensation	Statutory	250,000	
Educators Legal Liability	20,000,000	250,000	
Pollution Legal Liability	3,000,000		25,000
Pollution Legal Liability - mold incident	3,000,000		100,000-250,000
Cyber Liability	2,000,000		10,000
Violent Malicious Acts	1,000,000		15,000
Disaster Management Services	2,000,000		15,000
Commerical Canine (Geese Chasing) (2)	1,000,000		5,000
Terrorism and Sabotage (2)	50,000,000		25,000
Commercial Umbrella (3)	50,000,000		
Student Accident Coverage (4)			
School Time Coverage	1,000,000		
Sports Coverage	5,000,000		
Sponsored Activities	1,000,000		
Surety Bonds (5)			
Board Secretary	250,000		

- (1) Burlington County Joint Insurance Fund
- (2) Lloyd's of London
- (3) Fireman's Fund Insurance Co.
- (4) Catlin Insurance Company
- (5) Selective Insurance Co.

Source: District records

Single Audit Section

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
 of the Board of Education
 Collingswood School District
 County of Camden
 Collingswood, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Collingswood School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued my report thereon dated December 18, 2020.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Collingswood School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, I do not express an opinion on the effectiveness of the Collingswood School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or 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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 Collingswood School District's financial statements are free from material misstatement, I 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 18, 2020

INVERSO & STEWART, LLC
Certified Public Accountants

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT
 ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
 UNIFORM GUIDANCE AND STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
 of the Board of Education
 Collingswood School District
 County of Camden
 Collingswood, New Jersey

Report on Compliance for Each Major Federal and State Program

I have audited Collingswood School District's (School District), in the County of Camden, State of New Jersey compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2020. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance and State of New Jersey Circular 15-08-OMB require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In my opinion, the Collingswood School District, in the County of Camden, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the Collingswood School District, in the County of Camden, State of New Jersey, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or 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 or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Collingswood School District's internal control over compliance.

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

My 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. I did not identify any deficiencies in internal control over compliance that I 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 my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 18, 2020

COLLINGSWOOD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2019			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Paid to Grantor	Repayment of Prior Years' Balances	Balance, June 30, 2020		
						(Accounts Receivable	Deferred Revenue	Due to Grantor						(Accounts Receivable)	Deferred Revenue	Due to Grantor
U.S. Department of Education																
Passed-through State Department of Education:																
Special Revenue Fund:																
Title I:																
Fiscal Year 2020	84.010	S010A190030	ESSA094020	\$ 441,282	7/1/19 - 9/30/20	\$ -	\$ -	\$ -	\$ -	\$ 218,814	\$ (370,164)	\$ -	\$ -	\$ (151,350)	\$ -	\$ -
Fiscal Year 2019	84.010	S010A180030	ESSA094019	421,300	7/1/18 - 6/30/19	(134,767)				134,767				-		
Title I - Reallocated																
Fiscal Year 2020	84.010	S010A190030	ESSA094020	18,183	7/1/19 - 9/30/20					10,511	(14,012)			(3,501)		
Fiscal Year 2019	84.010	S010A180030	ESSA094019	29,088	7/1/18 - 6/30/19	(20,297)				29,088	(8,768)	(23)		-		
Title II A:																
Fiscal Year 2020	84.367A	S367A190029	ESSA094020	84,293	7/1/19 - 9/30/20					20,404	(37,312)			(16,908)		
Fiscal Year 2019	84.367A	S367A180029	ESSA094019	84,738	7/1/18 - 6/30/19	(14,420)				14,420				-		
Title III:																
Fiscal Year 2019	84.365	S365A180030	ESSA094019	4,845	7/1/18 - 6/30/19	(1,848)				1,848				-		
Title III Immigrant																
Fiscal Year 2019	84.365	S365A180030	ESSA094019	2,824	7/1/18 - 6/30/19	(2,823)				2,823				-		
Title IV:																
Fiscal Year 2020	84.424	S424A190031	ESSA094020	28,985	7/1/19 - 9/30/20					18,993	(26,396)			(7,403)		
Fiscal Year 2019	84.424	S424A180031	ESSA094019	25,890	7/1/18 - 6/30/19	(7,004)				7,004				-		
I.D.E.A. Part B - Basic:																
Fiscal Year 2020	84.027	H027A190100	IDEA094020	613,810	7/1/19 - 9/30/20					445,188	(561,287)			(116,099)		
Fiscal Year 2019	84.027	H027A180100	IDEA094019	580,416	7/1/18 - 6/30/19	(97,734)				97,734				-		
I.D.E.A. Part B - Preschool:																
Fiscal Year 2020	84.173	H173A190114	IDEA094020	12,727	7/1/19 - 9/30/20					11,452	(12,727)			(1,275)		
Fiscal Year 2019	84.173	H173A180114	IDEA094019	12,182	7/1/18 - 6/30/19	(2,437)				2,437				-		
Total U.S. Department of Education						(281,330)	-	-	-	1,015,483	(1,030,666)	(23)	-	(296,536)	-	-
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
Food Distribution Program:																
Fiscal Year 2020	10.565	201NJ304N1099	N/A	36,802	7/1/19 - 6/30/20					36,802	(36,802)					
School Breakfast Program:																
Fiscal Year 2020	10.553	201NJ304N1099	N/A	107,054	7/1/19 - 6/30/20					97,800	(107,055)			(9,255)		
Fiscal Year 2019	10.553	191NJ304N1099	N/A	95,886	7/1/18 - 6/30/19	(6,470)				6,470				-		
National School Lunch Program																
Fiscal Year 2020	10.555	201NJ304N1099	N/A	262,956	7/1/19 - 6/30/20					248,231	(262,956)			(14,725)		
Fiscal Year 2019	10.555	191NJ304N1099	N/A	279,168	7/1/18 - 6/30/19	(13,519)				13,519				-		
Total U.S. Department of Agriculture						(19,989)	-	-	-	402,822	(406,813)	-	-	(23,980)	-	-
U.S. Department of Health and Human Services																
Passed-through State Department of Human Services:																
General Fund:																
Medicaid Assistance Program																
Fiscal Year 2019	93.778	2005NJ5MAP	N/A	51,688	7/1/19 - 6/30/20					51,688	(51,688)			-		
Total Federal Awards						\$ (301,319)	\$ -	\$ -	\$ -	\$ 1,469,993	\$ (1,489,167)	\$ (23)	\$ -	\$ (320,516)	\$ -	\$ -

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

COLLINGSWOOD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year ended June 30, 2020

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2019			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2020		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor						(Accounts Receivable)	Deferred Revenue	Due to Grantor
State Department of Education														
General Fund:														
Equalization Aid	20-495-034-5120-078	\$ 7,872,265	7/1/19 - 6/30/20	\$ -	\$ -	\$ -	\$ -	\$ 7,123,730	\$ (7,872,265)	\$ -	\$ -	\$ (748,535)	\$ -	\$ -
Equalization Aid	19-495-034-5120-078	7,838,657	7/1/18 - 6/30/19	(748,911)				748,911						
Special Education Categorical Aid	20-495-034-5120-089	1,012,100	7/1/19 - 6/30/20					915,865	(1,012,100)			(96,235)		
Special Education Categorical Aid	19-495-034-5120-089	1,012,100	7/1/18 - 6/30/19	(96,697)				96,697						
Security Aid	20-495-034-5120-084	341,486	7/1/19 - 6/30/20					309,016	(341,486)			(32,470)		
Security Aid	19-495-034-5120-084	341,486	7/1/18 - 6/30/19	(32,626)				32,626				(74,481)		
Adjustment Aid	20-495-034-5120-085	783,307	7/1/19 - 6/30/20					708,826	(783,307)					
Adjustment Aid	19-495-034-5120-085	783,307	7/1/18 - 6/30/19	(74,838)				74,838						
Transportation Aid	20-495-034-5120-014	176,430	7/1/19 - 6/30/20					159,654	(176,430)			(16,776)		
Transportation Aid	19-495-034-5120-014	176,430	7/1/18 - 6/30/19	(16,856)				16,856						
School Choice Aid	20-495-034-5120-068	350,401	7/1/19 - 6/30/20					317,083	(350,401)			(33,318)		
School Choice Aid	19-495-034-5120-068	332,864	7/1/18 - 6/30/19	(31,802)				31,802						
Extraordinary Special Education Costs Aid	20-495-034-5120-044	67,482	7/1/19 - 6/30/20						(67,482)			(67,482)		
Extraordinary Special Education Costs Aid	19-495-034-5120-044	51,159	7/1/18 - 6/30/19	(51,159)				51,159						
Homeless Tuition Aid	20-495-034-5120-005	29,512	7/1/19 - 6/30/20						(29,512)			(29,512)		
Homeless Tuition Aid	19-495-034-5120-005	52,858	7/1/18 - 6/30/19	(52,858)				52,858						
On-behalf TPAF Pension Contribution	20-495-034-5094-002	3,519,370	7/1/19 - 6/30/20					3,519,370	(3,519,370)					
On-behalf TPAF Post Retirement Medical	20-495-034-5094-001	1,305,622	7/1/19 - 6/30/20					1,305,622	(1,305,622)					
On-behalf TPAF LTDI	20-495-034-5094-004	3,301	7/1/19 - 6/30/20					3,301	(3,301)					
Reimbursed TPAF Social Security Contr.	20-495-034-5094-003	1,312,215	7/1/19 - 6/30/20					1,247,618	(1,312,216)			(64,598)		
Reimbursed TPAF Social Security Contr.	19-495-034-5094-003	1,239,606	7/1/18 - 6/30/19	(61,147)				61,147						
Total General Fund				<u>(1,166,894)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,776,979</u>	<u>(16,773,492)</u>	<u>-</u>	<u>-</u>	<u>(1,163,407)</u>	<u>-</u>	<u>-</u>
Special Revenue Fund:														
Preschool Expansion Aid	20-495-034-5120-086	2,264,144	7/1/19 - 6/30/20				128,540	1,788,079	(1,937,645)	148,850		(198,675)	326,499	
Preschool Expansion Aid	19-495-034-5120-086	678,327	7/1/18 - 6/30/19	(67,833)	128,540		(128,540)	67,833						
NJ Nonpublic Aid:														
Textbook Aid	20-100-034-5120-064	6,325	7/1/19 - 6/30/20					6,325	(5,951)					374
Textbook Aid	19-100-034-5120-064	7,423	7/1/18 - 6/30/19								704			
Nursing Aid	20-100-034-5120-070	11,640	7/1/19 - 6/30/20					11,640	(11,524)					116
Nursing Aid	19-100-034-5120-070	13,483	7/1/18 - 6/30/19								135			
Technology Aid	20-100-034-5120-373	4,320	7/1/19 - 6/30/20					4,320	(759)					3,561
Security Aid	20-100-034-5120-509	18,000	7/1/19 - 6/30/20					18,000	(16,841)					1,159
Security Aid	19-100-034-5120-509	20,850	7/1/18 - 6/30/19								213			-
Auxiliary Services:														
Compensatory Education	20-100-034-5120-067	47,860	7/1/19 - 6/30/20					43,074	(26,688)			(4,786)		21,172
Compensatory Education	19-100-034-5120-067	58,798	7/1/18 - 6/30/19								22,251			
Handicapped Services:														
Supplemental Instruction	20-100-034-5120-066	16,189	7/1/19 - 6/30/20					14,343	(4,857)			(1,846)		11,332
Supplemental Instruction	19-100-034-5120-066	9,912	7/1/18 - 6/30/19								5,234			
Examination & Classification	20-100-034-5120-066	18,400	7/1/19 - 6/30/20					14,946	(10,960)			(3,454)		7,440
Examination & Classification	19-100-034-5120-066	18,017	7/1/18 - 6/30/19								9,827			
Corrective Speech	20-100-034-5120-066	20,051	7/1/19 - 6/30/20					17,791	(5,833)			(2,260)		14,218
Corrective Speech	19-100-034-5120-066	12,499	7/1/18 - 6/30/19								4,196			
Total Special Revenue Fund				<u>(67,833)</u>	<u>128,540</u>	<u>42,560</u>	<u>-</u>	<u>1,986,351</u>	<u>(2,021,058)</u>	<u>148,850</u>	<u>42,560</u>	<u>(211,021)</u>	<u>326,499</u>	<u>59,372</u>
State Department of Agriculture														
Enterprise Fund:														
National School Lunch Program (State Share)														
Fiscal Year 2020	20-100-010-3350-023	7,255	7/1/19 - 6/30/20					5,301	(7,255)			(1,954)		
Fiscal Year 2019	19-100-010-3350-023	6,600	7/1/18 - 6/30/19	(323)				323						
Total Enterprise Fund				<u>(323)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,624</u>	<u>(7,255)</u>	<u>-</u>	<u>-</u>	<u>(1,954)</u>	<u>-</u>	<u>-</u>
Total State Financial Assistance				<u>\$ (1,235,050)</u>	<u>\$ 128,540</u>	<u>\$ 42,560</u>	<u>\$ -</u>	<u>\$ 18,768,954</u>	<u>\$ (18,801,805)</u>	<u>\$ 148,850</u>	<u>\$ 42,560</u>	<u>\$ (1,376,382)</u>	<u>\$ 326,499</u>	<u>\$ 59,372</u>
Less: State Financial Expenditures Not Subject to Major Program Determination														
On-Behalf TPAF Contribution - Pension (Non-Budgeted)									3,519,370					
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)									1,305,622					
On-Behalf TPAF Contribution - LTDI (Non-Budgeted)									3,301					
Total State Financial Expenditures Subject to Major Program Determination									<u>\$ (13,973,512)</u>					

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

Collingswood School District
Notes to Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2020

1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Collingswood 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 awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$85) for the general fund and \$-0- for the special revenue fund. See Exhibit C-3, 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>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 51,688	\$ 16,773,407	\$ 16,825,095
Special Revenue	1,030,666	2,021,058	3,051,724
Food Service	<u>406,813</u>	<u>7,255</u>	<u>414,068</u>
Total	<u>\$ 1,489,167</u>	<u>\$ 18,801,720</u>	<u>\$ 20,290,887</u>

**Collingswood School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2020
(Continued)**

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.

5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2020. 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, 2020.

6. MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

7. ADJUSTMENTS

Amounts reported in the column entitled "Adjustments" represent the following:

	State	Federal
Transfer to Special Revenue Fund From General Fund	\$ 148,850	\$ -
	\$ 148,850	\$ -

**COLLINGSWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? yes X no

2) Significant deficiencies identified? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

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

2) Significant deficiencies identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (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>
<u>10.555</u>	<u>201NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.553</u>	<u>201NJ304N1099</u>	<u>School Breakfast Program</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes no

COLLINGSWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Section 1 – Summary of Auditor's Results (Cont'd)

State Awards Section

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

Auditee qualified as low-risk auditee? X yes no

Internal Control over major programs:

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

2) Significant deficiencies identified that are
not considered to be material weakness? yes X none reported

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

Any audit findings disclosed that are required to be reported
in accordance with NJOMB Circular Letter 15-08 as applicable? yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>20-495-034-5120-078</u>	<u>State Aid Public Cluster:</u> <u>Equalization Aid</u>
<u>20-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>20-495-034-5120-084</u>	<u>Security Aid</u>
<u>20-495-034-5120-085</u>	<u>Adjustment Aid</u>
<u>20-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>20-495-034-5120-086</u>	<u>Preschool Expansion Aid</u>
<u>20-100-010-3350-023</u>	<u>National School Lunch Program (State Share)</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

**COLLINGSWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section 2 -- Schedule of Financial Statement Findings

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

No findings identified.

**COLLINGSWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

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

FEDERAL AWARDS:

No findings and/or questioned costs identified.

STATE AWARDS:

No findings and/or questioned costs identified.

**COLLINGSWOOD SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings

FEDERAL AWARDS

There were no prior year audit findings.

STATE AWARDS

There were no prior year audit findings.