

SCHOOL DISTRICT
OF
COLLINGSWOOD



Collingswood Board of Education
Collingswood, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016

**Comprehensive Annual
Financial Report**

of the

Collingswood Board of Education

Collingswood, New Jersey

For the Fiscal Year Ended June 30, 2016

**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

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

BETH ANN COLEMAN
Business Administrator/Board Secretary

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, 2016, 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 2015-2016 fiscal year with an enrollment of 1,942 students, which is 78 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>
2011-2012	1,857	-0.1%
2012-2013	1,853	-0.2%
2013-2014	1,885	1.7%
2014-2015	1,864	-1.1%
2015-2016	1,942	4%

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 2016-2017 school year:

District:

- 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
 - Technology services to Buena

In addition, The Collingswood Public Schools provide Maintenance services to our neighboring districts on a time and materials basis as requested.

Collingswood continues to explore areas for sharing services in the area to limit our tax impact on the citizens.

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

District Goals and Reflections from Fiscal Year 2015-16:

1. Successfully implemented Stage 2 of the 1:1 Chromebook initiative including a well-constructed distribution plan, ongoing teacher and staff training opportunities, and documented instructional changes occurring in classrooms.
2. The Business Administrator actively “marketed” as-needed skilled trade shared services opportunities to neighboring Camden County Districts. As many districts cut back on in-house custodial and maintenance services, we can benefit from what our highly skilled staff can provide to neighboring districts. This continues to be an area of additional income for the Collingswood Public Schools.

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 are either 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, 2016.

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

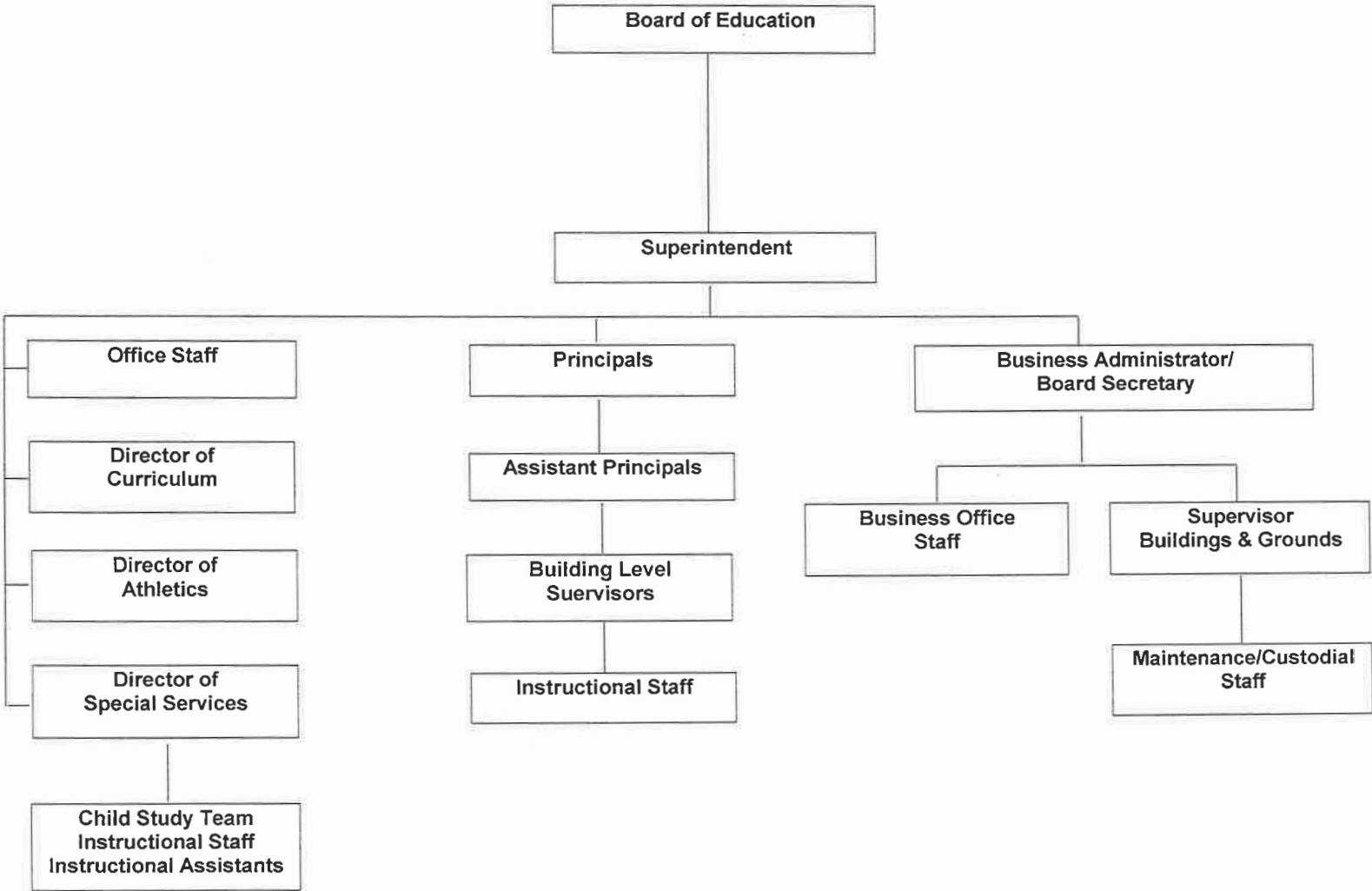


Beth Ann Coleman
Board Secretary/Business Administrator

SAO/BAC:ch

COLLINGSWOOD BOARD OF EDUCATION

Organizational Chart



COLLINGSWOOD SCHOOL DISTRICT

Roster of Officials

June 30, 2016

Members of the Board of Education:

Term Expires

David N. Routzahn, President	2016
Kathleen McCarthy, Vice President	2018
Timothy Farrow	2016
Madalyn Deets	2017
James Hatzell	2018
Fiona Henry	2017
Regan Kaiden	2018
Robert Lewandowski	2017
Stephen Rydzewski	2016

Members of the Board of Education - Sending Districts:

William Stauts, Oaklyn	2016
Sharon Vogel, Woodlynne	2016

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

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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, 2016, 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 of 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, 2016, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension information 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 accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget 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 Treasury Circular OMB 15-08, as applicable, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the 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 information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section and statistical section 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 September 15, 2016 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 and 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

Marlton, New Jersey
September 15, 2016

INVERSO & STEWART, LLC
 Certified Public Accountants

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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 and the standards applicable to financial 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 year ended June 30, 2016, 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 September 15, 2016.

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) to determine the 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 School District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 of 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 determination of financial statement amounts. 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 are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of 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 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

Marlton, New Jersey
September 15, 2016

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, 2016**

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, 2016. 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 \$8,995,470 (*net assets*) due to the adoption and presentation of GASB 68.
- Governmental activities have an unrestricted net assets deficit of \$9,275,959. 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 assets of the School District increased by \$139,296 or 1.5 % from the prior fiscal year-end balance. The majority of the decrease is due a revaluation of district fixed assets and adoption of GASB 68.
- Fund balance of the School District's governmental funds decreased by \$343,562 resulting in an ending fund balance of \$4,841,083. This decrease was primarily due to a decrease in miscellaneous revenues and tuition revenues received and increasing expenditures.
- Business-type activities have unrestricted net assets of \$129,180 which may be used to meet the School District's ongoing obligations of the food service operations.
- The School District's long-term obligations increased by \$9,901,603 which is the net result of the required payment on long-term obligations, change in compensated absences and the inclusion of net pension liability as required.

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 assets and the statement of activities.

The *statement of net assets* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net assets. Over time, changes in net assets 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 assets of the School District changed during the current fiscal year. Changes in net assets 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 After School 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 two enterprise funds (Food Service Fund and After School Program Fund) 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 2016. 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 2016.

The assets of the primary government activities did not exceed liabilities by \$9,257,959 with an unrestricted deficit balance of \$9,581,189. As mentioned earlier, deficit unrestricted net assets are 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 assets of the primary government do not include internal balances.

A deficit net investment in land, improvements, buildings, equipment and vehicles of \$4,866,594 which provide the services to the School District's 1,942 public school students, represents 53% of the School District's deficit net assets. Net assets of \$5,189,824 have been restricted as follows:

Reserved for future budget appropriation	\$2,071,107
Reserved for encumbrances	\$40,483
Designated for subsequent budget	\$2,012,729
Capital reserve	\$815,505
Maintenance	\$250,000
Total	\$5,189,824

**Collingswood School District
Comparative Summary of Net Assets
As of June 30, 2016 and 2015**

	Governmental Activities		Business-Type Activities		District-Wide	
	2016	2015	2016	2015	2016	2015
Assets:						
Current assets	\$ 5,294,743	\$ 5,566,525	\$ 182,082	\$ 129,189	\$ 5,476,825	\$ 5,695,714
Capital assets	9,023,406	9,150,337	133,309	150,758	9,156,715	9,301,095
Total assets	14,318,149	14,716,862	315,391	279,947	14,633,540	14,996,809
Deferred Outflows of Resources pension	2,374,701	1,353,342	0	0	2,374,701	1,353,342
Defeasance Loss	184,471	197,647	0	0	184,471	197,647
Current Liabilities	1,270,078	1,160,178	52,902	1,689	1,322,980	1,161,867
Noncurrent Liabilities	24,371,475	23,957,660	0	0	24,371,475	23,957,660
Total liabilities	25,641,553	25,117,838	52,902	1,689	25,694,455	25,119,527
Deferred Inflows	493,727	563,037	0	0	493,727	563,037
Net assets	\$ (9,257,959)	\$ (9,413,04)	\$ 262,489	\$ 278,258	\$ (8,995,470)	\$ (9,134,766)
Net assets consist of:						
Net investment capital						
Assets	\$ (4,866,594)	\$ (5,499,663)	\$ 133,309	\$ 150,758	\$ (4,733,285)	\$ (5,348,905)
Restricted net assets	5,189,824	5,564,031			5,189,824	5,564,031
Unrestricted net assets	(9,581,189)	(9,477,392)	129,180	127,500	(9,452,009)	(9,349,892)
Net assets	\$ (9,257,959)	\$ (9,413,024)	\$ 262,489	\$ 278,258	\$ (8,995,470)	\$ (9,134,766)

Governmental Activities

Governmental activities increased the net assets of the School District by \$155,065 during the current fiscal year. The increase in net assets for governmental activities is due to the following:

- Income generated from shared service arrangements

Business-type Activities

Business-type activities decreased the School District's net assets by \$15,769. Key elements of the decrease in net assets for business-type activities are as follows:

- Revaluation of fixed assets

Collingswood School District
Comparative Schedule of Changes in Net Assets
As of and for the Fiscal Year Ended June 30, 2016 and 2015

	Governmental Activities		Business-Type Activities		District-Wide	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues						
Charges for services	\$ 4,627,337	4,883,512	249,835	191,449	4,877,172	5,074,961
Operating grants and Contributions	\$ 4,726,532	4,219,019	410,561	371,489	5,137,093	4,590,508
Capital grants and Contributions						
General Revenues:						
Property Taxes	\$ 15,890,028	15,395,912			15,890,028	15,395,912
Unrestricted State Aid	\$ 10,605,731	10,529,933			10,605,731	10,529,933
Restricted State Aid	\$					
Tuition	\$					
Other Revenues	\$ 449,374	263,742	134	133	449,508	263,875
Total Revenues	<u>36,299,002</u>	<u>35,292,118</u>	<u>660,530</u>	<u>563,071</u>	<u>36,959,532</u>	<u>35,855,189</u>
Expenses:						
Governmental Activities:						
Instruction	\$ 15,135,272	15,486,405			15,135,272	15,486,405
Tuition	\$ 637,640	445,406			637,640	445,406
Related Services	\$ 3,732,662	3,648,677			3,732,662	3,648,677
Administrative Services	\$ 2,341,083	2,284,063			2,341,083	2,284,063
Operations and Maintenance	\$ 3,311,375	4,250,723			3,311,375	4,250,723
Transportation	\$ 494,675	536,512			494,675	536,512
Unallocated benefits	\$ 9,782,831	9,002,475			9,782,831	9,002,475
Special Schools(charter)	\$ 146,103	137,896			146,103	137,896
Interest on long-term Debt	\$ 531,089	560,100			531,089	560,100
Other	\$ 31,207	34,232			31,207	34,232
Expense of bond refund						
Business-Type Activities:						
Food Service Operations	\$		676,299	622,785	676,299	622,785
Total Expenses	<u>36,143,937</u>	<u>36,386,489</u>	<u>676,299</u>	<u>622,785</u>	<u>36,820,236</u>	<u>37,009,274</u>
Increase (decrease) in net assets						
Before transfers	\$ 155,065	(1,094,371)	(15,769)	(59,714)	139,296	(1,154,085)
Transfers	\$	(22,712)		22,712		
Changes in net assets	<u>155,065</u>	<u>(1,117,083)</u>	<u>(15,769)</u>	<u>(37,002)</u>	<u>139,296</u>	<u>(1,154,085)</u>
Net assets, July 1,	\$ (9,413,024)	(8,295,941)	278,258	315,260	(9,134,766)	(7,980,681)
Net assets	<u>\$ (9,257,959)</u>	<u>\$ (9,413,024)</u>	<u>\$ 262,489</u>	<u>\$ 278,258</u>	<u>\$ (8,995,470)</u>	<u>\$ (9,134,766)</u>

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 \$4,841,083 a decrease of \$343,562 in comparison with the prior year. The decrease is due to decreased tuition income.

The unreserved fund balance for the School District at the end of the fiscal year includes a combination of an unreserved fund balance deficit for the General Fund of \$348,741. 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 \$815,505, (2) maintenance reserve \$250,000 (3) appropriated as a revenue source in the subsequent year's budget \$2,071,107 (4) reserved for encumbrances \$40,483 (5) reserved for future budget appropriation in accordance with state statute \$2,012,729.

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 18 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, unreserved fund balance (budgetary basis) of the general fund was \$612,724, while total fund balance (budgetary basis) was \$5,802,548. As a measure of the general fund's liquidity, it may be useful to compare both unreserved 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 \$34,322,710. Unreserved fund balance (budgetary basis) represents 1.8% of expenditures while total fund balance (budgetary basis) represents 17 % 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, 2016, totaled \$9,156,715 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, improvements, buildings, equipment and vehicles. There was a decrease in the District's investment in capital assets for the current fiscal year of \$144,380 or 1.6 %. The decrease is due to an increase in accumulated depreciation.

**Collingswood School District
Capital Asset (net of accumulated depreciation)
June 30, 2016 and 2015**

	Governmental Activities		Business-Type Activities		District-Wide	
	2016	2015	2016	2015	2016	2015
Land	\$ 390,040	390,040			\$ 390,040	390,040
Construction in Progress						
Site Improvements	628,683	406,614			628,683	406,614
Buildings and Building Improvements	6,962,133	7,219,983			6,962,133	7,219,983
Equipment	916,581	988,812	\$ 133,309	150,758	1,049,890	1,139,570
Vehicles	125,969	144,888			125,969	144,888
Net assets	<u>\$ 9,023,406</u>	<u>9,150,337</u>	<u>\$ 133,309</u>	<u>150,758</u>	<u>\$ 9,156,715</u>	<u>9,301,095</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, 2015, the School District had \$13,890,000 in serial bonds payable, \$379,456 in compensated absences and \$10,877,019 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 \$ with a remaining borrowing capacity of \$27,343,075.

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 2016-2017 fiscal year.

- In preparing the 2016-17 budget, the Board of Education was determined 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
 - Technology services to Buena

In addition, The Collingswood Public Schools provide Maintenance services to our neighboring districts on a time and materials basis as requested.

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, 2016

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 2,563,256	\$ 129,237	\$ 2,692,493
Restricted cash and cash equivalents	815,505		815,505
Receivables, net	1,938,694	18,825	1,957,519
Internal balances	(22,712)	22,712	
Inventory		11,308	11,308
Capital assets, net (Note 5)	<u>9,023,406</u>	<u>133,309</u>	<u>9,156,715</u>
Total Assets	<u>14,318,149</u>	<u>315,391</u>	<u>14,633,540</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	2,374,701		2,374,701
Defeasance loss	<u>184,471</u>		<u>184,471</u>
Total deferred outflows of resources	<u>2,559,172</u>	-	<u>2,559,172</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
	<u>16,877,321</u>	<u>315,391</u>	<u>17,192,712</u>
LIABILITIES:			
Payable to state government	67,971		67,971
Unearned revenue	40,926	19,536	60,462
Accounts payable	337,122	33,366	370,488
Deposits payable	6,855		6,855
Other liabilities	786		786
Accrued interest payable	41,418		41,418
Noncurrent liabilities:			
Due within one year	775,000		775,000
Due beyond one year	<u>24,371,475</u>		<u>24,371,475</u>
Total Liabilities	<u>25,641,553</u>	<u>52,902</u>	<u>25,694,455</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows of resources from pensions	<u>493,727</u>		<u>493,727</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:			
	<u>26,135,280</u>	<u>52,902</u>	<u>26,188,182</u>
NET POSITION:			
Net investment in capital assets	(4,866,594)	133,309	(4,733,285)
Restricted for:			
Debt service			
Capital projects	815,505		815,505
Other purposes	4,374,319		4,374,319
Unrestricted (Deficit)	<u>(9,581,189)</u>	<u>129,180</u>	<u>(9,452,009)</u>
Total Net Position	<u>\$ (9,257,959)</u>	<u>\$ 262,489</u>	<u>\$ (8,995,470)</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, 2016

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	\$ 10,634,149	\$ 4,627,337	\$ 401,000	\$ -	\$ (5,605,812)	\$ -	\$ (5,605,812)
Special Education	2,858,171		372,003		(2,486,168)		(2,486,168)
Other instruction	1,623,513				(1,623,513)		(1,623,513)
Support Services:							
Tuition	637,640				(637,640)		(637,640)
Student & instruction related services	3,732,662		261,937		(3,470,725)		(3,470,725)
General administrative services	659,646				(659,646)		(659,646)
School administrative services	1,281,363				(1,281,363)		(1,281,363)
Central administrative services	400,074				(400,074)		(400,074)
Plant operations and maintenance	3,311,375		5,101		(3,306,274)		(3,306,274)
Pupil transportation	494,675				(494,675)		(494,675)
Unallocated employee benefits	9,782,831		3,686,491		(6,096,340)		(6,096,340)
Special schools	19,439				(19,439)		(19,439)
Transfer to charter schools	146,103				(146,103)		(146,103)
Interest on long-term debt	531,089				(531,089)		(531,089)
Unallocated	31,207				(31,207)		(31,207)
Total Governmental Activities	36,143,937	4,627,337	4,726,532	-	(26,790,068)	-	(26,790,068)
Business-Type Activities:							
Food Service	640,725	207,695	410,561			(22,469)	(22,469)
Summer Theater	35,574	42,140				6,566	6,566
Total Business-Type Activities	676,299	249,835	410,561			(15,903)	(15,903)
Total Primary Government	\$ 36,820,236	\$ 4,877,172	\$ 5,137,093	\$ -	(26,790,068)	(15,903)	(26,805,971)
General Revenues:							
Taxes:							
Property taxes, levied for general purposes, net					14,610,216		14,610,216
Taxes levied for debt service					1,279,812		1,279,812
Federal and State aid not restricted					10,605,731		10,605,731
Investment Earnings					2,034	134	2,168
Miscellaneous Income					447,340		447,340
Contributing Capital							
Transfers							
Total general revenues, special items, extraordinary items and transfers					26,945,133	134	26,945,267
Change in Net Position					155,065	(15,769)	139,296
Net Position -- July 1, 2015					(9,413,024)	278,258	(9,134,766)
Net Position -- June 30, 2016					\$ (9,257,959)	\$ 262,489	\$ (8,995,470)

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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, 2016

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 2,256,868	\$ -	\$ -	\$ -	\$ 2,256,868
Receivables, net:					
State aid	131,761	1,419			133,180
Federal	41,697	442,053			483,750
Other governmental units	660,422			639,906	1,300,328
Other accounts receivable	13,412	2,546			15,958
Interfund	1,242,566				1,242,566
Restricted assets:					
Cash and cash equivalents	815,505				815,505
Total Assets	\$ 5,162,231	\$ 446,018	\$ -	\$ 639,906	\$ 6,248,155
LIABILITIES AND FUND BALANCES					
Liabilities:					
Intergovernmental payable - State		67,971			67,971
Interfund payable	22,712	290,794		639,906	953,412
Accounts payable	254,869	82,253			337,122
Deposits payable	6,855				6,855
Unearned revenues	35,926	5,000			40,926
Other liabilities	786				786
Total Liabilities	321,148	446,018		639,906	1,407,072
Fund Balances:					
Restricted for:					
Capital reserve	815,505				815,505
Maintenance reserve	250,000				250,000
Excess surplus	2,012,729				2,012,729
Excess surplus - designated for subsequent year's expenditures	2,045,144				2,045,144
Assigned to:					
Year-end encumbrances	40,483				40,483
Designated for subsequent year's budget	25,963				25,963
Unassigned	(348,741)				(348,741)
Total Fund Balances	4,841,083				4,841,083
Total Liabilities and Fund Balances	\$ 5,162,231	\$ 446,018	\$ -	\$ 639,906	

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 \$32,713,740 and the accumulated depreciation is \$23,690,334. 9,023,406

The difference between the reacquisition price and the net carrying value of old debt (bonds payable) are reported as a deferred outflow of resources. 184,471

The Internal Service Fund is used to account for the financing of maintenance services to the district and other school districts. Maintenance services are governmental activities. This amount is the net position in the Internal Service Fund.

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	2,374,701	
Net Pension Liability	(10,877,019)	
Deferred Inflows of resources from Pensions	(493,727)	(8,996,045)

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	(13,890,000)	
Accrued Interest Payable	(41,418)	
Compensated Absences Payable	(379,456)	(14,310,874)

Net Position of Governmental Activities **\$ (9,257,959)**

COLLINGSWOOD SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	\$ 14,610,216	\$ -	\$ -	\$ 1,279,812	\$ 15,890,028
Tuition charges	4,627,337				4,627,337
Interest earned	2,034				2,034
Miscellaneous	435,102	12,238			447,340
Total local sources	19,674,689	12,238		1,279,812	20,966,739
State sources	14,188,734	123,565			14,312,299
Federal sources	115,726	904,238			1,019,964
Total Revenues	33,979,149	1,040,041		1,279,812	36,299,002
EXPENDITURES:					
Current expense:					
Regular instruction	10,011,950	401,000			10,412,950
Special education instruction	2,486,168	372,003			2,858,171
Other instruction	1,623,513				1,623,513
Support services and undistributed costs:					
Tuition	637,640				637,640
Student & instruction related services	3,470,725	261,937			3,732,662
General administrative services	597,273				597,273
School administrative services	1,281,363				1,281,363
Central administrative services	400,074				400,074
Plant operations and maintenance	3,150,310				3,150,310
Pupil transportation	494,675				494,675
Unallocated employee benefits	9,444,269				9,444,269
Capital outlay	559,208	5,101			564,309
Special schools	19,439				19,439
Transfer to charter schools	146,103				146,103
Redemption of principal				760,000	760,000
Interest				519,813	519,813
Total Expenditures	34,322,710	1,040,041	-	1,279,813	36,642,564
Excess (deficiency) of revenues over (under) expenditures	(343,561)	-	-	(1)	(343,562)
Other Financing Sources (Uses):					
Transfers in					-
Transfers out					-
Total other financing sources (uses)					-
Net change in fund balance	(343,561)	-	-	(1)	(343,562)
Fund balance - July 1, 2015	5,184,644	-	-	1	5,184,645
Fund balance - June 30, 2016	\$ 4,841,083	\$ -	\$ -	\$ -	\$ 4,841,083

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, 2016

Total net change in fund balances - governmental funds (from B-2)		\$ (343,562)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>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.</p>		
Depreciation expense	\$ (623,735)	
Fixed assets additions	<u>496,804</u>	(126,931)
<p>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.</p>		
		760,000
<p>The Internal Service Fund is used by management to charge the cost of providing maintenance services to the district and other school districts. This amount is the change in net position for the Internal Service Fund, exclusive of any gain/(loss) on disposal of Internal Service Fund capital assets.</p>		
		(20)
<p>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.</p>		
		(13,176)
<p>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.</p>		
		1,900
<p>Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.</p>		
		(338,562)
<p>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 (+)</p>		
		<u>215,416</u>
Change in Net Position of Governmental Activities		<u>\$ 155,065</u>

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, 2016

	Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Maintenance Services
	<u> </u>	<u> </u>	<u> </u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 100,971	\$ 28,266	\$ 306,388
Intergovernmental receivables:			
State Aid	269		
Federal Aid	18,497		
Other	59		5,478
Interfund receivable	22,712		1
Inventories	11,308		
<u>Total current assets</u>	<u>153,816</u>	<u>28,266</u>	<u>311,867</u>
Noncurrent Assets:			
Equipment	275,456		
Less - accumulated depreciation	(142,147)		
<u>Total Noncurrent Assets</u>	<u>133,309</u>		
<u>Total Assets</u>	<u>287,125</u>	<u>28,266</u>	<u>311,867</u>
LIABILITIES:			
Current liabilities:			
Interfund payable			311,867
Accounts payable	28,366	5,000	
Unearned revenue	2,836	16,700	
<u>Total Liabilities</u>	<u>31,202</u>	<u>21,700</u>	<u>311,867</u>
NET POSITION:			
Net investment in capital assets	133,309		
Reserve for encumbrances Unrestricted	122,614	6,566	
<u>Total Net Position</u>	<u>\$ 255,923</u>	<u>\$ 6,566</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, 2016

	Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Maintenance Funds
Operating Revenues:			
Charges for services:			
Daily sales - reimbursable programs	\$ 101,213	\$ -	\$ -
Daily sales - non-reimbursable programs	105,194		
Maintenance services			685,850
Miscellaneous		42,140	
Special functions	1,288		
Total Operating Revenues	<u>207,695</u>	<u>42,140</u>	<u>685,850</u>
Operating Expenses:			
Cost of sales	272,709		
Salaries	274,500	11,785	
Supplies	27,741	18,549	
Purchased services	24,565	5,240	
Other costs	23,761		685,870
Depreciation	17,449		
Total Operating Expenses	<u>640,725</u>	<u>35,574</u>	<u>685,870</u>
Operating Income (Loss)	<u>(433,030)</u>	<u>6,566</u>	<u>(20)</u>
Nonoperating Revenues (Expenses):			
State sources:			
State school lunch program	6,312		
Federal sources:			
National school lunch program	276,661		
National school breakfast program	91,422		
Food distribution program	36,166		
Interest on investments	134		
Board contribution			
Contributing Capital			
Total Nonoperating Revenues (Expenses)	<u>410,695</u>		
Change in Net Position	<u>(22,335)</u>	<u>6,566</u>	<u>(20)</u>
Net Position - July 1, 2015	<u>278,258</u>		<u>20</u>
Net Position - June 30, 2016	<u>\$ 255,923</u>	<u>\$ 6,566</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, 2016

	Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Maintenance Funds
Cash Flows from Operating Activities:			
Cash receipts from customers	\$ 209,660	\$ 58,840	\$ 1,000,598
Cash receipts from vendor	32,915		
Cash payments to employees for services	(266,848)	(11,785)	(854,805)
Cash payments to suppliers for goods and services	(290,919)	(18,789)	
Net cash used by operating activities	<u>(315,192)</u>	<u>28,266</u>	<u>145,793</u>
Cash Flows from Noncapital Financing Activities:			
Cash received from state sources	6,570		
Cash received from federal sources	369,787		
Operating transfer in/out			
Net cash provided by noncapital financing activities	<u>376,357</u>		
Cash Flows Used by Capital and Related Financing Activities:			
Purchase of equipment			
Cash Flow Provided by Investing Activities:			
Interest on cash equivalents	134		
Net increase (decrease) in cash and cash equivalents	61,299	28,266	145,793
Cash and cash equivalents - July 1, 2015	39,672		160,595
Cash and cash equivalents - June 30, 2016	<u>\$ 100,971</u>	<u>\$ 28,266</u>	<u>\$ 306,388</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (433,030)	\$ 6,566	\$ (20)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:			
Depreciation	17,449		
Commodities	36,166		
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	33,733		2,880
(Increase) decrease in inventory	977		
(Increase) decrease in interfund receivable			(1)
Increase (decrease) in interfund payable			144,239
Increase (decrease) in unearned revenue	1,147	16,700	
Increase (decrease) in accounts payable	28,366	5,000	(1,305)
Net cash provided by (used for) operating activities	<u>\$ (315,192)</u>	<u>\$ 28,266</u>	<u>\$ 145,793</u>
Noncash Noncapital Financing Activities:			
During the year the District received \$36,166 of food commodities from the U.S. Department of Agriculture.			

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, 2016

	<u>Trust Funds</u>			<u>Agency Funds</u>
	<u>Unemployment Compensation Trust</u>	<u>Flexible Benefit Trust</u>	<u>Private Purpose Scholarship Fund</u>	
ASSETS:				
Cash and cash equivalents	<u>\$ 762,329</u>	<u>\$ 13,534</u>	<u>\$ 196,030</u>	<u>\$ 348,230</u>
Total Assets	<u>762,329</u>	<u>13,534</u>	<u>196,030</u>	<u>\$ 348,230</u>
LIABILITIES:				
Payroll deductions and withholdings Due to student groups	<u>\$ 11,644</u>			<u>\$ 160,110</u> <u>188,120</u>
Total Liabilities	<u>11,644</u>			<u>\$ 348,230</u>
NET POSITION:				
Held in trust for unemployment claims and other purposes	<u>\$ 750,685</u>			
Held in trust for claims		<u>\$ 13,534</u>		
Reserved for scholarships			<u>\$ 196,030</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, 2016

	<u>Unemployment Compensation Trust</u>	<u>Flexible Benefit Trust</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS:			
Contributions:	\$ 33,008	\$ 28,500	\$ 29,352
Total Contributions	<u>33,008</u>	<u>28,500</u>	<u>29,352</u>
Interest earned on investments	<u>3,113</u>	<u>22</u>	<u></u>
Total Additions	<u>36,121</u>	<u>28,522</u>	<u>29,352</u>
DEDUCTIONS:			
Claims paid	75,737	22,572	31,931
Scholarships awarded	<u></u>	<u></u>	<u></u>
Total Deductions	<u>75,737</u>	<u>22,572</u>	<u>31,931</u>
Change in Net Position	(39,616)	5,950	(2,579)
Net Position - July 1, 2015	<u>790,301</u>	<u>7,584</u>	<u>198,609</u>
Net Position - June 30, 2016	<u>\$ 750,685</u>	<u>\$ 13,534</u>	<u>\$ 196,030</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, 2016

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 Collingswood School District has an approximate enrollment at June 30, 2016 of 1,946 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. 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. 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.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

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.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds (Continued) - 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.

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.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues - Exchange and Non-exchange Transactions - 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.

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.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances - 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.

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, 2016 and 2015 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, 2016.

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.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. 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.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on the 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. 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, 2016.

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.

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.

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 June 2015, the GASB issued Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. The requirements of this Statement will improve financial reporting by establishing a single framework for the presentation of information about pensions, which will enhance the comparability of pension-related information reported by employers and nonemployer contributing entities. This Statement is effective for financial statements for periods beginning after June 15, 2016 and will not have any effect on the District's financial reporting.

In June 2015, the GASB issued Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are *not* administered through trusts that meet the specified criteria. This Statement is effective for financial statements for periods beginning after June 15, 2016. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In June, 2015, the GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement is effective for financial statements for periods beginning after June 15, 2017. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In December 2015, the GASB issued Statement 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

In March 2016, the GASB issued Statement 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement amends Statements 67 and 68 to instead require the presentation of covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure. Furthermore, this Statement clarifies that a deviation, as the term is used in Actuarial Standards of Practice issued by the Actuarial Standards Board, from the guidance in an Actuarial Standard of Practice is not considered to be in conformity with the requirements of Statement 67, Statement 68, or Statement 73 for the selection of assumptions used in determining the total pension liability and related measures. Also, this Statement clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions (for example, as salaries and wages or as fringe benefits). The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Management is currently evaluating the impact of the adoption of this Statement on the School 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. 17:9-41et 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 \$5,138,230 as of June 30, 2016, \$354,906 was insured under FDIC and the remaining balance of \$4,783,324 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, 2016**

3. CAPITAL RESERVE ACCOUNT (Continued)

The activity of the capital reserve for the July 1, 2015 to June 30, 2016 fiscal year is as follows:

Balance July 1, 2015		\$ 813,471
Increased by:		
Interest Earned	\$ 2,034	
Transfer from Capital Projects Fund	<u> -</u>	
		<u> 2,034</u>
Balance June 30, 2016		<u><u>\$ 815,505</u></u>

The June 30, 2016 capital reserve balance does not exceed the LRFPP balance of local support costs of uncompleted projects.

4. ACCOUNTS RECEIVABLES

Accounts receivables at June 30, 2016 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, 2016 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>	<u>Total</u>
Intergovernmental						
State	\$ 131,761	\$ 1,419	\$ -	\$ 269	\$ -	\$ 133,449
Federal	41,697	442,053		18,497		502,247
Other	<u>673,834</u>	<u>2,546</u>	<u>639,906</u>	<u>59</u>	<u>5,478</u>	<u>1,321,823</u>
Total	<u><u>\$ 847,292</u></u>	<u><u>\$ 446,018</u></u>	<u><u>\$ 639,906</u></u>	<u><u>\$ 18,825</u></u>	<u><u>\$ 5,478</u></u>	<u><u>\$ 1,957,519</u></u>

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2016, was as follows:

	<u>Restated Balance June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>
Governmental Activities:				
Land	\$ 390,040	\$ -	\$ -	\$ 390,040
Total Capital Assets not being Depreciation	390,040			390,040
Land Improvements	1,319,985	276,590		1,596,575
Building and Improvements	24,336,469	93,332		24,429,801
Vehicles	325,403	-		325,403
Equipment	5,845,039	126,882		5,971,921
Total Historical Cost	<u>32,216,936</u>	<u>496,804</u>	<u>-</u>	<u>32,713,740</u>
Less Accumulated Depreciation:				
Land Improvements	(913,371)	(54,521)		(967,892)
Building and Improvements	(17,116,486)	(351,182)		(17,467,668)
Vehicles	(180,515)	(18,919)		(199,434)
Equipment	(4,856,227)	(199,113)		(5,055,340)
Total Accumulated Depreciation	<u>(23,066,599)</u>	<u>(623,735)</u>	<u>-</u>	<u>(23,690,334)</u>
Governmental Activities Capital Assets, Net	<u>\$ 9,150,337</u>	<u>\$ (126,931)</u>	<u>\$ -</u>	<u>\$ 9,023,406</u>
Business-Type Activities:				
Equipment	275,456			275,456
Less - Accumulated Depreciation	<u>(124,698)</u>	<u>(17,449)</u>		<u>(142,147)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 150,758</u>	<u>\$ (17,449)</u>	<u>\$ -</u>	<u>\$ 133,309</u>

Depreciation expense in the amount of \$623,735 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 436,615
General Administration	62,373
Plant operations and maintenance	93,560
Unallocated	<u>31,187</u>
Total depreciation expense	<u>\$ 623,735</u>

6. INVENTORY

Inventory in the food service fund at June 30, 2016 consisted of the following:

Food	\$ 9,274
Supplies	<u>2,034</u>
	<u>\$ 11,308</u>

Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

7. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2016, the following changes occurred in long-term obligations:

Governmental Activities:	<u>Outstanding June 30, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding June 30, 2016</u>	<u>Due Within One Year</u>
Compensated Absences	\$ 594,872	\$ -	\$ 215,416	\$ 379,456	\$ -
General Obligation Bonds	14,650,000		760,000	13,890,000	775,000
Net Pension Liability	9,447,788	1,429,231		10,877,019	
	<u>\$ 24,692,660</u>	<u>\$ 1,429,231</u>	<u>\$ 975,416</u>	<u>\$ 25,146,475</u>	<u>\$ 775,000</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 \$13,890,000 due in annual installments through June 1, 2030, bearing interest rates of 2.50 % to 5.00%.

As of June 30, 2016, 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>
2017	\$ 775,000	\$ 497,012	\$ 1,272,012
2018	820,000	473,763	1,293,763
2019	840,000	449,162	1,289,162
2020	860,000	415,563	1,275,563
2021	910,000	381,162	1,291,162
2022-2026	5,065,000	1,309,113	6,374,113
2027-2030	4,620,000	311,150	4,931,150
	<u>\$ 13,890,000</u>	<u>\$ 3,836,925</u>	<u>\$ 17,726,925</u>

As of June 30, 2016 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, 2016**

8. OPERATING LEASES

At June 30, 2016, the School District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$51,288 for the fiscal year ended June 30, 2016. The future minimum lease payments for these leases are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2017	\$ 34,359
2018	22,455
2019	15,649
2020	<u>331</u>
	<u>\$ 72,794</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), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). 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)

The Teachers' Pension and Annuity Fund is a cost-sharing contributory defined benefit pension plan which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114, 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92 P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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.

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.

For the year ended June 30, 2016, the District recognized pension expense of \$5,508,003 and revenue of \$5,508,003 for support provided by the State. Although the 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 district.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

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.

	06/30/15	06/30/14
Collective deferred outflows of resources	\$ 7,521,378,257	\$ 2,306,623,861
Collective deferred inflows of resources	554,399,005	1,763,205,593
Collective net pension liability (Non-Employer – State of New Jersey)	63,577,864,440	53,446,745,367
State's portion of the net pension liability that was associated with the district	90,207,875	75,929,369
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	.1427243362%	.1420654688%

Actuarial assumptions – The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

- Inflation: 2.5%
- Salary Increases: Varies based on experience
- Investment Rate of Return: 7.90%

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

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	05.00%	0.53%
Government Bonds	01.75%	1.39%
Credit Bonds	13.50%	2.72%
Mortgages	02.10%	2.54%
Inflation-Indexed Bonds	01.50%	1.47%
High Yield Bonds	02.00%	4.57%
Equity Market	27.25%	5.63%
Foreign-Developed Equity	12.00%	6.22%
Emerging Markets Equity	06.40%	8.46%
Private Real Estate Property	04.25%	3.97%
Timber	01.00%	4.09%
Farmland	01.00%	4.61%
Private Equity	09.25%	9.15%
Commodities	01.00%	3.58%
Hedge Funds – MultiStrategy	04.00%	4.59%
Hedge Funds – Equity Hedge	04.00%	5.68%
Hedge Funds - Distressed	04.00%	4.30%
	<u>100.00%</u>	

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

9. PENSION PLANS (Continued)

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

Discount rate. The discount rate used to measure the State's total pension liability was 4.13% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% as of June 30, 2015, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) will be made based on the average of the last five years. 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 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. Since the District has no proportionate share of the net pension liability, because of the special funding situation, the district would not be sensitive to any changes in the discount rate.

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)

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 and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, 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. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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:

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Adjustment</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Total Liability Paid by District</u>
2016	\$ 70,525	\$ -	\$ 324,882	\$ 21,170	\$ 416,577
2015	69,254	-	320,356	26,388	415,998
2014	103,599	(39,767)	280,646	5,858	350,336

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.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

For the year ended June 30, 2016, the District recognized pension expense of \$763,674. At June 30, 2016, the District reported a liability of \$10,877,019 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	\$ 259,487	\$ -
Changes of assumptions	1,168,105	
Net Difference between projected and actual earnings on pension plan investments		174,882
Changes in proportion	522,561	318,845
District contributions subsequent to the measurement date	424,548	
Total	\$ 2,374,701	\$ 493,727

\$424,548 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, 2016, the plan measurement date is June 30, 2015) will be recognized as a reduction of the net liability in the year ended June 30, 2016.

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 of Resources
2016	\$ 264,768
2017	264,768
2018	264,768
2019	405,527
2020	256,595
Total	\$ 1,456,426

Additional Information

Collective balances at June 30, 2015 and 2014 are as follows:

	6/30/2015	6/30/2014
Collective deferred outflows of resources	\$ 3,578,755,666	\$ 952,194,675
Collective deferred inflows of resources	\$ 993,410,455	\$ 1,479,224,662
Collective net pension liability	\$ 22,447,996,119	\$ 18,722,735,003
District's Proportion	.0484542968%	.0504615815%

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Actuarial assumptions – The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate: 3.04%
 Salary Increases:
 2012-2021: 2.15-4.40% based on age
 Thereafter: 3.15-5.40% based on age
 Investment Rate of Return: 7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	05.00%	01.04%
U.S. Treasuries	01.75%	01.64%
Investment Grade Credit	10.00%	01.79%
Mortgages	02.10%	01.62%
High Yield Bonds	02.00%	04.03%
Inflation Indexed Bonds	01.50%	03.25%
Broad US Equities	27.25%	08.52%
Developed Foreign Equities	12.00%	06.88%
Emerging Market Equities	06.40%	10.00%
Private Equity	09.25%	12.41%
Hedge Funds/Absolute Ret	12.00%	04.72%
Real Estate (Property)	02.00%	06.83%
Commodities	01.00%	05.32%
Global Debt ex US	03.50%	-0.40%
REIT	04.25%	5.12%
	<u>100.00%</u>	

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Discount rate. The discount rate used to measure the State's total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.8% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability measured as of June 30, 2015, calculated using the discount rate of 4.90%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.90%) or 1 percentage point higher (5.90%) than the current rate:

	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Borough's proportionate share of the net pension liability	\$ 13,518,804	\$ 10,877,019	\$ 8,662,166

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.

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:

Fiscal Year	Total Liability	Employer Contribution
2016	\$ 7,122	\$ 7,122
2015	9,458	9,458
2014	11,624	11,624

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

10. POST-RETIREMENT BENEFITS

The School District contributes to the New Jersey State Health Benefits Program (SHBP), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP was established to provide medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pension issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295.

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2015, there were 107,314 retirees receiving post-retirement medical benefits, and the State contributed \$1.25 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$214.1 million toward Chapter 126 benefits for 19,056 eligible retired members in Fiscal Year 2015.

The State establishes the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contribution to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the year ended June 30, 2016 was \$1,400,885 which equaled the required contributions. The State's contribution to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

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

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2016, the School District has recognized as revenues and expenditures \$1,176,500 of on-behalf payments made by the State of New Jersey for normal retirement costs related to TPAF and \$1,109,106 for employer's share of social security contributions for TPAF members, as calculated on their base salaries.

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

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

12. RISK MANAGEMENT(Continued)

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>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016	\$ 3,113	\$ 33,008	\$ 75,737	\$ 750,685
2015	2,416	33,150	38,411	790,301
2014	2,677	62,451	15,441	793,146

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.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2016, the liability for compensated absences in the governmental activities fund type was \$379,456.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

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, 2016. The following interfund receivables/payables were recorded on the various balance sheets as of June 30, 2016:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General Fund	\$ 1,242,566	\$ 22,712
Special Revenue Fund		290,794
Debt Service Fund		639,906
Proprietary Fund	<u>22,713</u>	<u>311,867</u>
	<u>\$ 1,265,279</u>	<u>\$ 1,265,279</u>

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, 2016, 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.

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016	\$ 22	\$ 28,500	\$ 22,572	\$ 13,534
2015	22	24,500	22,446	7,584
2014	24	25,500	26,224	5,508

18. DEFICIT UNASSIGNED FUND BALANCE

The School District has a deficit unassigned fund balance of \$348,741 in the General Fund as of June 30, 2016 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

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2016**

18. DEFICIT UNASSIGNED FUND BALANCE (Continued)

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 \$348,741 is equal to or less than the June state aid payment.

19. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2016, a deficit of \$9,581,189 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, 2016:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds)	
Unassigned	\$ (348,741)
Add - Deferred Outflow of Resources	184,471
Liabilities:	
Accrued Interest Payable	(41,418)
Net Pension Differences	(8,996,045)
Compensated Absences	(379,456)
	(9,581,189)
Unrestricted Net Position (Deficit)	\$ (9,581,189)

20. 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, 2016 is \$2,012,729 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$2,045,144 of excess fund balance generated during the 2014-2015 fiscal year has been restricted and designated for utilization in the 2016-2017 budget.

Capital Reserve – As of June 30, 2016, the balance in the capital reserve account is \$815,505. 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, 2016, the balance in the maintenance reserve account is \$250,000. 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, 2016

20. 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, 2016 the School District has \$40,483 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

Designated for subsequent year's budget – At June 30, 2016, the School District has \$25,963 designated for use in subsequent year's expenditures.

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, 2016, the unassigned fund balance of the general fund was a deficit of \$348,741. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 18).

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, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local Tax Levy	\$ 14,610,216	\$ -	\$ 14,610,216	\$ 14,610,216	\$ -
Tuition - From Other LEA's	4,399,487	-	4,399,487	4,501,781	102,294
Tuition - From Individuals	103,000	-	103,000	125,556	22,556
Interest earned on capital reserve funds	2,100	-	2,100	2,034	(66)
Unrestricted misc. revenues	259,500	-	259,500	435,102	175,602
Total local sources	19,374,303	-	19,374,303	19,674,689	300,386
State sources:					
School choice aid	133,042	-	133,042	133,042	-
Categorical special education aid	908,909	-	908,909	908,909	-
Equalization aid	7,836,707	-	7,836,707	7,836,707	-
Categorical security aid	265,588	-	265,588	265,588	-
Adjustment aid	1,044,170	-	1,044,170	1,044,170	-
Categorical transportation aid	179,759	-	179,759	179,759	-
Extraordinary aid	26,000	-	26,000	25,413	(587)
PARCC Readiness Aid	16,010	-	16,010	16,010	-
Per Pupil Growth Aid	16,010	-	16,010	16,010	-
Homeless Tuition Aid	-	-	-	51,764	51,764
On-behalf TPAF pension contri. (non-budgeted)	-	-	-	1,176,500	1,176,500
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	1,400,885	1,400,885
Reimbursed TPAF social security contribution (non-budgeted)	-	-	-	1,109,106	1,109,106
Total state sources	10,426,195	-	10,426,195	14,163,863	3,737,668
Federal sources:					
Medicaid reimbursement	40,257	-	40,257	115,726	75,469
Total federal sources	40,257	-	40,257	115,726	75,469
TOTAL REVENUES	29,840,755	-	29,840,755	33,954,278	4,113,523
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	133,869	28,757	162,626	162,626	-
Kindergarten	476,679	(55,145)	421,534	392,006	29,528
Grades 1-5	2,904,255	40,043	2,944,298	2,926,023	18,275
Grades 6-8	1,997,861	(127,778)	1,870,083	1,864,064	6,019
Grades 9-12	3,677,279	176,638	3,853,917	3,816,691	37,226
Regular Programs - Home Instruction:					
Salaries of teachers	36,000	-	36,000	7,945	28,055
Purchased professional - educ services	18,000	-	18,000	11,496	6,504
Regular Programs - Undistributed Instruction:					
Unused vacation payment to terminated/retired staff	48,500	-	48,500	-	48,500
Purchased professional - educ services	8,970	444	9,414	9,414	-
Purchased technical services	129,210	7,717	136,927	129,269	7,658
Other purchased services	113,950	(1,477)	112,473	89,109	23,364
General supplies	1,083,484	(143,264)	940,220	583,163	357,057
Textbooks	27,750	(1,104)	26,646	16,198	10,448
Other objects	14,975	(73)	14,902	3,946	10,956
Total - Regular Programs - Instruction	10,670,782	(75,242)	10,595,540	10,011,950	583,590

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, 2016

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education Instruction:					
Multiple Disabilities:					
Salaries of teachers	\$ 170,974	\$ (49,194)	\$ 121,780	\$ 121,780	\$ -
Other salaries for instruction	266,487	(62,399)	204,088	190,224	13,864
Purchased prof. educational services	16,000	106,155	122,155	121,298	857
Purchased technical services	5,000	(3,026)	1,974	1,701	273
General supplies	26,000	(10,394)	15,606	15,606	-
Textbooks	10,000	(3,307)	6,693	6,693	-
Total multiple disabilities	<u>494,461</u>	<u>(22,165)</u>	<u>472,296</u>	<u>457,302</u>	<u>14,994</u>
Resource room/resource center:					
Salaries of teachers	1,380,095	(62,031)	1,318,064	1,318,064	-
Other salaries for instruction	98,211	(31,580)	66,631	66,631	-
Purchased prof. educational services	37,000	93,423	130,423	130,423	-
General supplies	11,500	(7,152)	4,348	4,348	-
Textbooks	6,000	(4,384)	1,616	1,616	-
Total resource room/resource center	<u>1,532,806</u>	<u>(11,724)</u>	<u>1,521,082</u>	<u>1,521,082</u>	<u>-</u>
Autism:					
Salaries of teachers	178,009	51,681	229,690	229,690	-
Other salaries for instruction	107,703	(53,990)	53,713	47,961	5,752
Total autism	<u>285,712</u>	<u>(2,309)</u>	<u>283,403</u>	<u>277,651</u>	<u>5,752</u>
Preschool Disabilities - Part-Time:					
Salaries of teachers	72,505	(17,853)	54,652	52,568	2,084
Purchased prof. educational services	27,000	16,354	43,354	43,072	282
General Supplies	1,500	102,953	104,453	104,415	38
Other salaries for instruction	40,894	(39,394)	1,500	975	525
Total preschool disabilities - part-time	<u>141,899</u>	<u>62,060</u>	<u>203,959</u>	<u>201,030</u>	<u>2,929</u>
Home Instruction					
Salaries of teachers	36,000	(24,000)	12,000	4,357	7,643
Purchased prof. educational services	18,000	8,000	26,000	24,746	1,254
Total home instruction	<u>54,000</u>	<u>(16,000)</u>	<u>38,000</u>	<u>29,103</u>	<u>8,897</u>
Total Special Education - Instruction	<u>2,508,878</u>	<u>9,862</u>	<u>2,518,740</u>	<u>2,486,168</u>	<u>32,572</u>
Basic Skills/Remedial - Instruction					
Salaries of teachers	788,227	-	788,227	729,500	58,727
Other purchased services	-	-	-	-	-
General supplies	12,660	-	12,660	9,630	3,030
Total basic skills/remedial - instruction	<u>800,887</u>	<u>-</u>	<u>800,887</u>	<u>739,130</u>	<u>61,757</u>
Bilingual Education - Instruction					
Salaries of teachers	165,954	-	165,954	136,130	29,824
General supplies	4,000	-	4,000	3,945	55
Total bilingual education - instruction	<u>169,954</u>	<u>-</u>	<u>169,954</u>	<u>140,075</u>	<u>29,879</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, 2016

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Cocurricular Act - Instruction:					
Salaries of teachers	\$ 121,000	\$ (228)	\$ 120,772	\$ 103,653	\$ 17,119
Purchased services	4,800	-	4,800	4,332	468
Supplies and materials	14,300	(500)	13,800	9,795	4,005
Other objects	7,500	3,500	11,000	10,584	416
Total school-sponsored cocurr. act. - instruc.	147,600	2,772	150,372	128,364	22,008
School-Sponsored Athletics - Instruction:					
Salaries of teachers	459,279	(614)	458,665	443,322	15,343
Purchased services	102,000	11,907	113,907	110,322	3,585
Supplies and materials	50,000	(752)	49,248	48,352	896
Other objects	10,000	224	10,224	10,220	4
Total school-sponsored athletics - instruc.	621,279	10,765	632,044	612,216	19,828
Before/After School Programs - Instruction:					
Salaries of teachers	3,500	228	3,728	3,728	-
Total school-sponsored athletics - instruc.	3,500	228	3,728	3,728	-
Total Instruction	14,922,880	(51,615)	14,871,265	14,121,631	749,634
Undistributed Expenditures - Instruction					
Tuition to other LEA's within the state - regular	46,115	(10,000)	36,115	18,196	17,919
Tuition to other LEA's within the state - special	51,230	(21,949)	29,281	3,271	26,010
Tuition to county voc. school district - regular	46,140	-	46,140	46,140	-
Tuition to CSSD & reg. day schools	179,535	149,520	329,055	326,515	2,540
Tuition to priv. sch. for the disabled in state	168,761	(126,663)	42,098	38,330	3,768
Tuition - state facilities	132,383	-	132,383	132,383	-
Tuition - other	67,181	5,624	72,805	72,805	-
Total undistributed expenditures - instruction	691,345	(3,468)	687,877	637,640	50,237
Attendance and Social Work:					
Salaries	22,017	233	22,250	20,811	1,439
Total attendance and social work	22,017	233	22,250	20,811	1,439
Health Services:					
Salaries	375,015	700	375,715	365,418	10,297
Purchased professional and tech. services	28,500	-	28,500	27,315	1,185
Other purchased services	300	-	300	300	-
Supplies and materials	9,600	70	9,670	7,314	2,356
Total health services	413,415	770	414,185	400,047	14,138
Speech, OT, PT & Related Services:					
Salaries	271,125	10,766	281,891	281,885	6
Purchased professional and educ. services	23,000	(14,000)	9,000	8,611	389
Supplies and materials	20,000	(155)	19,845	19,053	792
Total speech, ot, pt, & related services	314,125	(3,389)	310,736	309,549	1,187

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, 2016

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Support Services Student - Extra:					
Salaries	\$ 135,500	\$ (8,496)	\$ 127,004	\$ 80,591	\$ 46,413
Purchased professional - educ. services	197,000	58,718	255,718	220,556	35,162
Total other support services student - extra	332,500	50,222	382,722	301,147	81,575
Guidance:					
Salaries of other professional staff	379,273	(1,049)	378,224	365,906	12,318
Salaries of secretarial and clerical assistants	73,308	2,041	75,349	75,349	-
Purchased professional - educ. services	59,200	-	59,200	41,396	17,804
Other purchased prof. and tech. services	28,750	-	28,750	7,779	20,971
Other purchased services	800	-	800	165	635
Supplies and materials	7,800	-	7,800	2,563	5,237
Other objects	1,545	-	1,545	350	1,195
Total guidance	550,676	992	551,668	493,508	58,160
Child Study Teams:					
Salaries of other professional staff	662,307	5,008	667,315	667,315	-
Salaries of secretarial and clerical assistants	87,557	(3,176)	84,381	78,183	6,198
Purchased professional - educ services	35,000	(192)	34,808	28,709	6,099
Miscellaneous purchased services	11,400	(50)	11,350	651	10,699
Supplies and materials	12,106	50	12,156	11,952	204
Total child study teams	808,370	1,640	810,010	786,810	23,200
Improvement of Instructional Services:					
Salaries of supervisor of instruction	477,591	(2,586)	475,005	465,171	9,834
Salaries of other professional staff	41,000	438	41,438	41,438	-
Salaries of secretarial and clerical assistants	11,495	-	11,495	9,619	1,876
Purchased professional - educ services	31,975	(8,500)	23,475	13,097	10,378
Supplies and materials	970	-	970	483	487
Total improvement of instructional services	563,031	(10,648)	552,383	529,808	22,575
Educational Media Services/School Library:					
Salaries	298,151	162	298,313	279,199	19,114
Supplies and materials	25,462	494	25,956	25,211	745
Total educational media services/school library	323,613	656	324,269	304,410	19,859
Instructional Staff Training Services:					
Salaries of supervisors of instruction	301,458	(2,586)	298,872	289,034	9,838
Salaries of secretarial and clerical assistants	11,495	-	11,495	9,619	1,876
Purchased professional - educ services	4,000	2,349	6,349	4,643	1,706
Other purchased services (400-500 series)	40,450	-	40,450	21,339	19,111
Total instructional staff training services	357,403	(237)	357,166	324,635	32,531

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, 2016

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
General Administration:					
Salaries	\$ 303,122	\$ 2,395	\$ 305,517	\$ 305,517	\$ -
Legal services	44,550	200	44,750	44,262	488
Audit fees	31,500	(200)	31,300	30,800	500
Other purchased professional services	63,724	(3,104)	60,620	38,239	22,381
Communications / telephone	60,219	(22,710)	37,509	37,508	1
BOE other purchased services	1,300	-	1,300	-	1,300
Other purchased services	114,963	19,738	134,701	117,607	17,094
Supplies	3,250	-	3,250	1,661	1,589
Miscellaneous expenditures	7,000	-	7,000	4,845	2,155
BOE membership dues and fees	17,000	-	17,000	16,834	166
Total general administration	646,628	(3,681)	642,947	597,273	45,674
School Administration:					
Salaries of principals/assist. principals	847,330	5,172	852,502	852,502	-
Salaries of secretarial and clerical assistants	390,861	11,666	402,527	402,527	-
Other purchased services	13,750	(3,266)	10,484	9,192	1,292
Supplies and materials	12,342	-	12,342	8,562	3,780
Other objects	12,000	-	12,000	8,580	3,420
Total school administration	1,276,283	13,572	1,289,855	1,281,363	8,492
Central Services:					
Salaries	334,827	5,063	339,890	339,890	-
Purchased professional services	12,000	(441)	11,559	11,166	393
Purchased technical services	25,200	2,400	27,600	27,588	12
Miscellaneous purchased services	2,300	(1,900)	400	323	77
Supplies	10,000	450	10,450	9,966	484
Miscellaneous expenditures	4,300	(1,167)	3,133	2,818	315
Total central services	388,627	4,405	393,032	391,751	1,281
Administrative Inform. Technology:					
Salaries	8,283	40	8,323	8,323	-
Total administrative inform. technology	8,283	40	8,323	8,323	-
Required Maintenance School Facilities:					
Salaries	575,402	-	575,402	566,227	9,175
Cleaning, repair, and maintenance services	182,425	11,000	193,425	188,496	4,929
General supplies	211,950	972	212,922	212,264	658
Other objects	2,800	-	2,800	1,675	1,125
Total required maintenance school facilities	972,577	11,972	984,549	968,662	15,887
Custodial Services:					
Salaries	1,085,825	27,395	1,113,220	1,113,001	219
Unused vacation payment to terminated/retired staff	4,590	-	4,590	-	4,590
Purchased professional and tech. services	16,150	-	16,150	16,062	88
Cleaning, repair, and maintenance services	82,970	(9,395)	73,575	65,151	8,424
Other purchased property services	80,000	-	80,000	73,444	6,556
Insurance	94,972	-	94,972	94,596	376
Miscellaneous purchased services	6,500	-	6,500	6,500	-
General supplies	119,030	9,500	128,530	123,692	4,838
Energy (Natural Gas)	110,000	-	110,000	100,361	9,639
Energy (Electricity)	500,000	(40,157)	459,843	450,813	9,030
Other objects	11,800	-	11,800	530	11,270
Total custodial services	2,111,837	(12,657)	2,099,180	2,044,150	55,030

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, 2016

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Care and Upkeep of Grounds					
Other objects	\$ 4,000	\$ -	\$ 4,000	\$ 698	\$ 3,302
Total care and upkeep of grounds	4,000	-	4,000	698	3,302
Security:					
Salaries	70,000	66,800	136,800	136,800	-
Purchased professional and tech. services	65,000	(60,967)	4,033	-	4,033
Total security	135,000	5,833	140,833	136,800	4,033
Total operation & maint. of plant services	3,223,414	5,148	3,228,562	3,150,310	78,252
Student Transportation Services:					
Salaries pupil trans. Other than bet home/school	1,500	-	1,500	1,410	90
Management fee - ESC trans. program	17,000	801	17,801	17,801	-
Contr serv (bet. home and school) - Vendors	38,000	-	38,000	23,989	14,011
Contr. serv. (not bet. home & school) - Vendors	167,100	(57,492)	109,608	102,779	6,829
Contr. serv. (special ed. students.) - ESC	235,000	113,541	348,541	348,540	1
Misc. purchased services - transportation	1,500	-	1,500	156	1,344
Total student transportation services	460,100	56,850	516,950	494,675	22,275
Unallocated Benefits - Employee Benefits:					
Social security contributions	406,804	(6,217)	400,587	373,610	26,977
Other retirement contributions - PERS	473,144	(44,000)	429,144	397,602	31,542
Unemployment compensation	-	-	-	-	-
Workmen's compensation	154,197	(1)	154,196	153,196	1,000
Health benefits	4,953,285	(55,457)	4,897,828	4,600,498	297,330
Tuition reimbursement	50,000	6,217	56,217	55,571	646
Other employee benefits	319,741	(56,923)	262,818	120,378	142,440
Unused sick payment to terminated/retired staff	-	56,923	56,923	56,923	-
Total unallocated benefits - employee benefits	6,357,171	(99,458)	6,257,713	5,757,778	499,935
On-behalf TPAF pension contr. (non-budgeted)	-	-	-	1,176,500	(1,176,500)
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	1,400,885	(1,400,885)
Reimbursed TPAF social security contr. (non-budgeted)	-	-	-	1,109,106	(1,109,106)
Total Undistributed Expenditures	16,737,001	13,647	16,750,648	19,476,329	(2,725,681)
Total General Current Expense	31,659,881	(37,968)	31,621,913	33,597,960	(1,976,047)
CAPITAL OUTLAY:					
Equipment:					
School sponsored and other instr. program	12,000	-	12,000	10,380	1,620
Required maintenance for school facilities	97,166	(2,000)	95,166	93,906	1,260
Custodial services	-	-	-	-	-
Total Equipment	109,166	(2,000)	107,166	104,286	2,880
Facilities Acquisition and Constr. Services					
Construction services	295,000	2,000	297,000	257,576	39,424
Assessment for Debt Service on SDA Funding	197,346	-	197,346	197,346	-
Total Facilities Acquisition and Constr. Serv.	492,346	2,000	494,346	454,922	39,424
Total Capital Outlay	601,512	-	601,512	559,208	42,304

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, 2016

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
SPECIAL SCHOOLS - SUMMER:					
Instruction:					
Salaries of teachers	\$ 7,000	\$ 9,463	\$ 16,463	\$ 16,463	\$ -
General supplies	17,500	(9,463)	8,037	2,976	5,061
Total summer school - instruction	24,500	-	24,500	19,439	5,061
Total Special Schools	24,500	-	24,500	19,439	5,061
Transfer to Charter School	108,157	37,968	146,125	146,103	22
TOTAL EXPENDITURES	32,394,050	-	32,394,050	34,322,710	(1,928,660)
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(2,553,295)	-	(2,553,295)	(368,432)	2,184,863
Other Financing Sources:		-			-
Total other financing sources		-			-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(2,553,295)	-	(2,553,295)	(368,432)	2,184,863
Fund Balance - July 1, 2015	6,170,980		6,170,980	6,170,980	
Fund Balance - June 30, 2016	<u>\$ 3,617,685</u>	<u>\$ -</u>	<u>\$ 3,617,685</u>	<u>\$ 5,802,548</u>	<u>\$ 2,184,863</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Capital reserve				\$ 815,505	
Maintenance reserve				250,000	
Excess surplus				2,012,729	
Excess surplus - designated for subsequent year's expenditures				2,045,144	
Assigned Fund Balance:					
Year-end encumbrances				40,483	
Designated for subsequent year's expenditures				25,963	
Unassigned Fund Balance				612,724	
				<u>5,802,548</u>	
Last State Aid Payment not Recognized on a GAAP Basis				<u>(961,465)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 4,841,083</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, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ -	\$ 22,238	\$ 22,238	\$ 12,238	\$ (10,000)
State sources	191,536	-	191,536	123,565	(67,971)
Federal sources	677,379	415,978	1,093,357	874,333	(219,024)
Total Revenues	868,915	438,216	1,307,131	1,010,136	(296,995)
EXPENDITURES:					
Instruction:					
Salaries	164,485	95,874	260,359	223,580	36,779
Purchased prof. - tech. serv.	158,651	3,310	161,961	99,031	62,930
Other purchased services	339,780	103,045	442,825	295,007	147,818
Textbooks	9,479	-	9,479	8,526	953
General supplies	8,466	135,635	144,101	116,954	27,147
Other Objects	-	-	-	-	-
Total instruction	680,861	337,864	1,018,725	743,098	275,627
Support services:					
Salaries of supervisor of instruction	94,115	4,300	98,415	98,065	350
Personal services - employee benefits	50,000	7,153	57,153	57,153	-
Purchased professional - tech. services	14,940	61,870	76,810	76,065	745
Purchased professional - educ. services	29,000	6,532	35,532	26,632	8,900
Other purchased services	-	6,799	6,799	2,822	3,977
Supplies and materials	-	2,119	2,119	1,200	919
Total support services	188,055	88,773	276,828	261,937	14,891
Facilities acquisition and construction services:					
Instructional equipment	-	11,578	11,578	5,101	6,477
Noninstructional equipment	-	-	-	-	-
Total facilities acq. and const. services	-	11,578	11,578	5,101	6,477
Total Expenditures	868,916	438,215	1,307,131	1,010,136	296,995
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	---	---	---	---	---

COLLINGSWOOD SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison
For the Fiscal Year Ended June 30, 2016

**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	\$ 33,954,278	\$ 1,010,136
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		29,905
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	986,336	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(961,465)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 33,979,149	\$ 1,040,041
 Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 34,322,710	\$ 1,010,136
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.		29,905
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	\$ 34,322,710	\$ 1,040,041

Required Supplementary Information - Part III
Schedules Related to Accounting and Reporting
For Pensions (GASB 68)

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

	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0484542968%	0.0504615815%	0.0464957527%
District's proportionate share of the net pension liability (asset)	\$ 10,877,019	\$ 9,447,788	\$ 8,886,262
District's covered-employee payroll	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	340.37%	283.86%	268.30%
Plan fiduciary net position as a percentage of the total pension liability	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 Three Fiscal Years

	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 424,548	\$ 416,577	\$ 415,998
Contributions in relation to the contractually required contributions	<u>(424,548)</u>	<u>(416,577)</u>	<u>(415,998)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	3,195,602	3,328,339	3,312,110
Contributions as a percentage of covered-employee payroll	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 Three Fiscal Years

	June 30, 2016	June 30, 2015	June 30, 2015
District's proportion of the net pension liability (asset)	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>90,207,875</u>	<u>75,929,369</u>	<u>70,967,586</u>
Total	<u>\$ 90,207,875</u>	<u>\$ 75,929,369</u>	<u>\$ 70,967,586</u>
District's covered-employee payroll	\$ 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%
Plan fiduciary net position as a percentage of the total pension liability	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
Notes to Required Supplementary Information
Pension Schedules
For the Fiscal Year Ended June 30, 2016**

1. Teacher's Pension and Annuity Fund (TPAF)

Changes of benefit terms. The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

2. Public Employees' Retirement System (PERS)

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

Changes of assumptions. Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

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, 2016

	Total Other Prog. (See E-1A)	Total Other Prog. (See E-1B)	Total Other Prog. (See E-1C)	Total
REVENUES:				
Local sources	\$ -	\$ 12,238	\$ -	\$ 12,238
State sources	119,038	-	4,527	123,565
Federal sources			874,333	874,333
Total Revenues	119,038	12,238	878,860	1,010,136
EXPENDITURES:				
Instruction:				
Salaries of teachers		890	222,690	223,580
Purchased prof. and tech. serv.	95,721	3,310		99,031
Other purchased services			295,007	295,007
Textbooks	8,526			8,526
General supplies		5,352	111,602	116,954
Other Objects				
Total instruction	104,247	9,552	629,299	743,098
Support services:				
Salaries - supervisor of instruction			98,065	98,065
Personal services-employee benefits			57,153	57,153
Purchased prof. - tech. services	14,791		61,274	76,065
Purchased prof. - educ. services			26,632	26,632
Other purchased services			2,822	2,822
Supplies		1,200		1,200
Total support services	14,791	1,200	245,946	261,937
Facilities acquisition and const. serv.:				
Instructional equipment		1,486	3,615	5,101
Total facilities acq. and const. serv.		1,486	3,615	5,101
Total Expenditures	119,038	12,238	878,860	1,010,136
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, 2016

	<u>Nonpublic Comp. Ed.</u>	<u>Nonpublic Exam & Class.</u>	<u>Nonpublic Speech</u>	<u>Nonpublic Supplemental Instruction</u>	<u>Nonpublic Textbooks</u>	<u>Nonpublic Nursing</u>	<u>Home Instruction</u>	<u>Total</u>
REVENUES:								
Local sources								
State sources	\$ 60,912	\$ 12,271	\$ 15,550	\$ 5,569	\$ 8,526	\$ 14,791	\$ 1,419	\$ 119,038
Federal sources								
Total Revenues	<u>60,912</u>	<u>12,271</u>	<u>15,550</u>	<u>5,569</u>	<u>8,526</u>	<u>14,791</u>	<u>1,419</u>	<u>119,038</u>
EXPENDITURES:								
Instruction:								
Purchased prof. and tech. serv.	60,912	12,271	15,550	5,569			1,419	95,721
Textbooks					8,526			8,526
General supplies								
Total instruction	<u>60,912</u>	<u>12,271</u>	<u>15,550</u>	<u>5,569</u>	<u>8,526</u>		<u>1,419</u>	<u>104,247</u>
Support services:								
Purchased prof. - tech. services						14,791		14,791
Other purchased services								
Total support services						<u>14,791</u>		<u>14,791</u>
Facilities acquisition and const. serv.:								
Instructional equipment								
Total facilities acq. and const. ser								
Total Expenditures	<u>60,912</u>	<u>12,271</u>	<u>15,550</u>	<u>5,569</u>	<u>8,526</u>	<u>14,791</u>	<u>1,419</u>	<u>119,038</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>	<u>\$ -</u>

COLLINGSWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2016

	J&J School Health Leadership	Sustainable NJ - PSE&G	Inclusive Schools Climate Initiative				Total
			Newbie	Zane	Garfield	Tatem	
REVENUES:							
Local sources	\$ 1,200	\$ 2,000	\$ 2,326	\$ 2,367	\$ 2,500	\$ 1,845	\$ 12,238
State sources							
Federal sources							
Total Revenues	1,200	2,000	2,326	2,367	2,500	1,845	12,238
EXPENDITURES:							
Instruction:							
Salaries of teachers			480	410			890
Purchased prof. and tech. serv.			385		2,500	425	3,310
Textbooks							
General supplies		2,000	592	1,340		1,420	5,352
Other Objects							
Total instruction		2,000	1,457	1,750	2,500	1,845	9,552
Support services:							
Purchased prof. - tech. services							
Other purchased services							
Supplies	1,200						1,200
Total support services	1,200						1,200
Facilities acquisition and const. serv.:							
Instructional equipment			869	617			1,486
Total facilities acq. and const. serv.			869	617			1,486
Total Expenditures	1,200	2,000	2,326	2,367	2,500	1,845	12,238
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, 2016

	Title I	Title IIA	Title III	IDEA Basic	IDEA Preschool	Nonpublic Security	Nonpublic Technology	Total
REVENUES:								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources						1,097	3,430	4,527
Federal sources	438,840	48,684	14,806	360,540	11,463	-	-	874,333
Total Revenues	438,840	48,684	14,806	360,540	11,463	1,097	3,430	878,860
EXPENDITURES:								
Instruction:								
Salaries of teachers	199,497	11,730			11,463			222,690
Purchased prof. - tech. services				295,007				295,007
Other purchased services				644				644
General supplies	91,625		14,806			1,097	3,430	111,602
Total instruction	291,122	11,730	14,806	295,651	11,463	1,097	3,430	629,299
Support services:								
Salaries - supervisor of instruction	90,565	7,500						98,065
Personal services-employee benefits	57,153							57,153
Purchased prof. - tech. services				61,274				61,274
Purchased prof. - educ. services		26,632						26,632
Other purchased services		2,822						2,822
Travel								
Supplies								
Total support services	147,718	36,954		61,274				245,946
Facilities acquisition and const. serv.:								
Instructional equipment				3,615				3,615
Total facilities acq. and const. serv.				3,615				3,615
Total Expenditures	438,840	48,684	14,806	356,925	11,463	1,097	3,430	878,860
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Proprietary Funds

COLLINGSWOOD SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Maintenance Services
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 100,971	\$ 28,266	\$ 306,388
Intergovernmental receivables:			
State Aid	269		
Federal Aid	18,497		
Interfund	22,712		1
Other	59		5,478
Inventories	11,308		
Total current assets	<u>153,816</u>	<u>28,266</u>	<u>311,867</u>
Noncurrent Assets:			
Equipment	275,456		
Less - accumulated depreciation	<u>(142,147)</u>		
Total Noncurrent Assets	<u>133,309</u>		
Total Assets	<u>287,125</u>	<u>28,266</u>	<u>311,867</u>
LIABILITIES:			
Current liabilities:			
Interfund payable			311,867
Accounts payable	28,366	5,000	
Unearned revenue	<u>2,836</u>	<u>16,700</u>	
Total Liabilities	<u>31,202</u>	<u>21,700</u>	<u>311,867</u>
NET POSITION:			
Net investment in capital assets	133,309		
Reserve for encumbrances			
Unrestricted	<u>122,614</u>	<u>6,566</u>	
Total Net Position	<u>\$ 255,923</u>	<u>\$ 6,566</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, 2016

	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	\$ 101,213	\$ -	\$ -
Daily sales - non-reimbursable programs	105,194		
Maintenance fees from other LEA's			685,850
Miscellaneous		42,140	
Special functions	1,288		
Total Operating Revenues	<u>207,695</u>	<u>42,140</u>	<u>685,850</u>
Operating Expenses:			
Cost of sales	272,709		
Salaries	274,500	11,785	
Supplies	27,741	18,549	
Purchased Services	24,565	5,240	
Other costs	23,761		685,870
Depreciation	17,449		
Total Operating Expenses	<u>640,725</u>	<u>35,574</u>	<u>685,870</u>
Operating Income (Loss)	<u>(433,030)</u>	<u>6,566</u>	<u>(20)</u>
Nonoperating Revenues (Expenses):			
State sources:			
State school lunch program	6,312		
Federal sources:			
National school lunch program	276,661		
National school breakfast program	91,422		
Food distribution program	36,166		
Interest on investments	134		
Transfers			
Contributing Capital			
Total Nonoperating Revenues	<u>410,695</u>		
Change in Net Position	<u>(22,335)</u>	<u>6,566</u>	<u>(20)</u>
Net Position - July 1, 2015	<u>278,258</u>		<u>20</u>
Net Position - June 30, 2016	<u>\$ 255,923</u>	<u>\$ 6,566</u>	<u>\$ -</u>

COLLINGSWOOD SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Business-Type Activities Enterprise Funds		Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Maintenance Services
Cash Flows from Operating Activities:			
Cash receipts from customers	\$ 209,660	\$ 58,840	\$ 1,000,598
Cash receipts from vendor	32,915		
Cash payments to employees for services	(266,848)	(11,785)	(854,805)
Cash payments to suppliers for goods and services	(290,919)	(18,769)	
Net cash used by operating activities	(315,192)	28,266	145,793
Cash Flows from Noncapital Financing Activities:			
Cash received from state sources	6,570		
Cash received from federal sources	369,787		
Operating transfer in/out			
Net cash provided by noncapital financing activities	376,357		
Cash Flows Used by Capital and Related Financing Activities:			
Purchase of equipment			
Cash Flow Provided by Investing Activities:			
Interest on cash equivalents	134		
Net increase (decrease) in cash and cash equivalents	61,299	28,266	145,793
Cash and cash equivalents - July 1, 2015	39,672		160,595
Cash and cash equivalents - June 30, 2016	\$ 100,971	\$ 28,266	\$ 306,388
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (433,030)	\$ 6,566	\$ (20)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:			
Depreciation	17,449		
Commodities	36,166		
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	33,733		2,880
(Increase) decrease in inventory	977		
(Increase) decrease in interfund receivable			(1)
Increase (decrease) in interfund payable			144,239
Increase (decrease) in unearned revenue	1,147	16,700	
Increase (decrease) in accounts payable	28,366	5,000	(1,305)
Net cash provided by (used for) operating activities	\$ (315,192)	\$ 28,266	\$ 145,793

Noncash Noncapital Financing Activities:

During the year the District received \$36,166 of food commodities from the U.S. Department of Agriculture.

Fiduciary Funds

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2016

	Trust Funds			Agency Funds		Totals
	Unemployment Compensation Insurance Trust	Flexible Benefits Trust	Scholarship Trust	Student Activity	Payroll	
ASSETS:						
Cash and cash equivalents	\$ 762,329	\$ 13,534	\$ 196,030	\$ 188,120	\$ 160,110	\$ 1,320,123
Total Assets	<u>762,329</u>	<u>13,534</u>	<u>196,030</u>	<u>\$ 188,120</u>	<u>\$ 160,110</u>	<u>1,320,123</u>
LIABILITIES:						
Payroll deductions and withholdings Due to student groups	11,644			188,120	160,110	171,754 188,120
Total Liabilities	<u>11,644</u>			<u>\$ 188,120</u>	<u>\$ 160,110</u>	<u>359,874</u>
NET POSITION:						
Held in trust for payment of claims Held in trust for scholarships	750,685	13,534	196,030			764,219 196,030
Total Net Position	<u>\$ 750,685</u>	<u>\$ 13,534</u>	<u>\$ 196,030</u>			<u>\$ 960,249</u>

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2016

	<u>Flexible Benefits Trust Fund</u>	<u>Scholarship Trust Fund</u>	<u>Unemployment Compensation Insurance Trust Fund</u>	<u>Totals</u>
ADDITIONS:				
Interest on investments	\$ 22	\$ -	\$ 3,113	\$ 3,135
Contributions	<u>28,500</u>	<u>29,352</u>	<u>33,008</u>	<u>90,860</u>
Total Additions	<u>28,522</u>	<u>29,352</u>	<u>36,121</u>	<u>93,995</u>
DEDUCTIONS:				
Claims paid	22,572		75,737	98,309
Scholarships paid		<u>31,931</u>		<u>31,931</u>
Total Deductions	<u>22,572</u>	<u>31,931</u>	<u>75,737</u>	<u>130,240</u>
Change in Net Position	5,950	(2,579)	(39,616)	(36,245)
Net Position -- July 1, 2015	<u>7,584</u>	<u>198,609</u>	<u>790,301</u>	<u>996,494</u>
Net Position -- June 30, 2016	<u>\$ 13,534</u>	<u>\$ 196,030</u>	<u>\$ 750,685</u>	<u>\$ 960,249</u>

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Student Activity Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2016

	<u>Balance June 30, 2015</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Transfers</u>	<u>Balance June 30, 2016</u>
Elementary Schools	\$ 28,005	\$ 35,739	\$ 35,961	\$ 715	\$ 28,498
Middle School	17,204	64,601	60,358	(495)	20,952
High School	105,109	220,935	211,570	(220)	114,254
Athletics	20,031	124,213	120,235		24,009
District	302	885	780		407
Total all schools	<u>\$ 170,651</u>	<u>\$ 446,373</u>	<u>\$ 428,904</u>	<u>\$ -</u>	<u>\$ 188,120</u>

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Payroll Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS:				
Cash and cash equivalents	\$ 146,799	\$ 21,797,584	\$ 21,784,273	\$ 160,110
Total Assets	<u>\$ 153,953</u>	<u>\$ 21,797,584</u>	<u>\$ 21,784,273</u>	<u>\$ 160,110</u>
LIABILITIES:				
Net payroll	\$ -	\$ 11,752,596	\$ 11,752,596	\$ -
Interfund payable		1,187	1,187	
Payroll deductions and withholdings	<u>146,799</u>	<u>10,043,801</u>	<u>10,030,490</u>	<u>160,110</u>
Total Liabilities	<u>\$ 153,953</u>	<u>\$ 21,797,584</u>	<u>\$ 21,784,273</u>	<u>\$ 160,110</u>

Long-Term Debt Schedules

COLLINGSWOOD SCHOOL DISTRICT
Statement of Serial Bonds
For the Fiscal Year Ended June 30, 2016

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance June 30, 2015	Issued	Retired	Balance June 30, 2016
			Date	Amount					
Refunding School Bonds	12/01/12	14,775,000	6/1/2017	\$ 775,000	3.000%	14,650,000		760,000	13,890,000
			6/1/2018	820,000	3.000%				
			6/1/2019	840,000	4.000%				
			6/1/2020	860,000	4.000%				
			6/1/2021	910,000	4.000%				
			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>\$ 14,650,000</u>	<u>\$ -</u>	<u>\$ 760,000</u>	<u>\$ 13,890,000</u>	

COLLINGSWOOD SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2016

	<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	\$ 1,279,812	\$ -	\$ 1,279,812	\$ 1,279,812	\$ -
Miscellaneous					
Total Revenues	<u>1,279,812</u>		<u>1,279,812</u>	<u>1,279,812</u>	
EXPENDITURES:					
Regular debt service:					
Redemption of principal	760,000		760,000	760,000	
Interest	<u>519,813</u>		<u>519,813</u>	<u>519,813</u>	
Total regular debt service	<u>1,279,813</u>		<u>1,279,813</u>	<u>1,279,813</u>	-
Excess (Deficiency) of revenues over (under) expenditures	(1)		(1)	(1)	
Other Financing Sources:					
Operating transfers in				-	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(1)		(1)	(1)	
Fund Balance - July 1, 2015	<u>1</u>		<u>1</u>	<u>1</u>	
Fund Balance - June 30, 2016	<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,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities:										
Net investment in capital assets	\$ 8,984,000	\$ 21,197,077	\$ 20,869,898	\$ 20,448,749	\$ 20,075,116	\$ 19,552,212	\$ 19,498,672	\$ 18,776,461	\$ (5,499,663)	\$ (4,866,594)
Restricted for:										
Capital projects	8,908,471	1,431,595	666,895	580,221	345,784	448,784	951,244	704,304	813,471	815,505
Debt service	517,803	297,180				91,722	38,120	19,755	1	
Other purposes	2,117,615	2,218,943	2,121,241	3,142,781	4,841,916	6,232,436	5,715,090	5,761,323	4,780,464	4,374,319
Unrestricted	(967,245)	(484,161)	(912,611)	(1,108,657)	(834,943)	(922,763)	(841,687)	(650,882)	(9,507,297)	(9,581,189)
Total governmental activities net position	<u>\$ 19,560,644</u>	<u>\$ 24,660,634</u>	<u>\$ 22,745,423</u>	<u>\$ 23,063,084</u>	<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>
Business-type activities:										
Net investment in capital assets	\$ 27,186	\$ 20,114	\$ 8,287	\$ 22,259	\$ 33,136	\$ 39,497	\$ 70,184	\$ 50,241	\$ 150,758	\$ 133,309
Unrestricted	185,250	201,055	235,878	218,361	204,576	171,649	143,325	147,058	127,500	129,180
Total business-type activities net position	<u>\$ 212,436</u>	<u>\$ 221,169</u>	<u>\$ 244,165</u>	<u>\$ 240,620</u>	<u>\$ 237,712</u>	<u>\$ 211,146</u>	<u>\$ 213,509</u>	<u>\$ 197,299</u>	<u>\$ 278,258</u>	<u>\$ 262,489</u>
District-wide:										
Net investment in capital assets	\$ 9,011,186	\$ 21,217,191	\$ 20,878,185	\$ 20,471,008	\$ 20,108,252	\$ 19,591,709	\$ 19,568,856	\$ 18,826,702	\$ (5,348,905)	\$ (4,733,285)
Restricted:										
Capital projects	8,908,471	1,431,595	666,895	580,221	345,784	448,784	951,244	704,304	813,471	815,505
Debt service	517,803	297,180				91,722	38,120	19,755	1	
Other purposes	2,117,615	2,218,943	2,121,241	3,142,781	4,841,916	6,232,436	5,715,090	5,761,323	4,780,464	4,374,319
Unrestricted	(781,995)	(283,106)	(676,733)	(890,296)	(630,367)	(751,114)	(698,362)	(503,824)	(9,379,797)	(9,452,009)
Total district net position	<u>\$ 19,773,080</u>	<u>\$ 24,881,803</u>	<u>\$ 22,989,588</u>	<u>\$ 23,303,714</u>	<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>

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

Fiscal Year Ending June 30,

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 9,766,538	\$ 9,467,723	\$ 10,908,208	\$ 10,463,791	\$ 9,845,258	\$ 9,965,762	\$ 9,948,024	\$ 10,254,244	\$ 10,881,367	\$ 10,634,149
Special education	1,602,135	1,714,139	1,822,945	3,161,493	3,099,125	2,855,516	3,189,373	3,194,621	3,022,304	2,858,171
Other instruction	1,316,638	1,392,166	1,534,930	1,554,733	1,451,420	1,554,714	1,609,605	1,593,306	1,582,734	1,623,513
Support Services:										
Tuition	1,090,256	1,217,659	1,122,463	730,061	770,843	848,489	772,694	609,230	445,406	637,640
Student & instruction related services	3,283,504	3,406,727	3,209,559	3,478,532	3,038,583	3,145,003	3,413,607	3,414,395	3,648,677	3,732,662
School administrative services	1,203,286	1,247,196	1,387,473	1,308,976	1,321,990	1,355,675	1,364,083	1,295,442	1,250,810	1,281,363
General and business administrative services	1,005,874	882,631	1,090,433	973,339	1,058,461	1,037,843	995,355	1,103,148	1,033,253	1,059,720
Plant operations and maintenance	2,773,601	2,940,503	3,728,691	3,463,615	3,339,933	3,930,014	3,947,059	4,427,853	4,250,723	3,311,375
Pupil transportation	598,616	641,564	552,536	461,810	419,354	390,946	441,979	469,426	536,512	494,675
Business and other support services										
Unallocated employee benefits	7,279,463	7,004,060	6,770,342	6,670,967	6,950,050	7,402,029	8,323,551	8,104,380	9,002,475	9,782,831
Special schools	18,071	76,586	14,096	16,706	99,034	91,372	138,264	109,557	137,896	165,542
Interest on long-term debt	829,306	809,025	1,221,043	773,619	752,650	727,815	627,683	576,497	560,100	531,089
Unallocated depreciation	20,351	20,351	34,783	55,224	35,510	35,668	34,393	41,232	34,232	31,207
Total governmental activities expenses	<u>30,787,639</u>	<u>30,820,330</u>	<u>33,397,502</u>	<u>33,112,866</u>	<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>
Business-type activities:										
Food service	605,848	647,731	644,521	655,988	626,858	691,309	722,874	665,433	622,785	640,725
Summer Theater										35,574
Total business-type activities expense	<u>605,848</u>	<u>647,731</u>	<u>644,521</u>	<u>655,988</u>	<u>626,858</u>	<u>691,309</u>	<u>722,874</u>	<u>665,433</u>	<u>622,785</u>	<u>676,299</u>
Total district expenses	<u>\$ 31,393,487</u>	<u>\$ 31,468,061</u>	<u>\$ 34,042,023</u>	<u>\$ 33,768,854</u>	<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>
Program Revenues:										
Governmental activities:										
Charges for services	\$ 3,015,289	\$ 3,198,375	\$ 3,607,825	\$ 4,648,623	\$ 4,924,948	\$ 5,228,802	\$ 4,742,946	\$ 4,413,861	\$ 4,883,512	\$ 4,627,337
Operating grants and contributions	4,345,752	3,959,176	2,989,270	3,351,672	3,173,864	3,246,828	4,180,541	3,683,273	4,219,019	4,726,532
Capital grants and contributions	6,404,930	4,514,531								
Total governmental activities program revenues	<u>13,765,971</u>	<u>11,672,082</u>	<u>6,597,095</u>	<u>8,000,295</u>	<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>

(Continued)

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

Fiscal Year Ending June 30,

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Business-type activities:										
Charges for services	\$ 359,707	\$ 356,418	\$ 345,625	\$ 317,749	\$ 304,260	\$ 299,210	\$ 307,430	\$ 233,058	\$ 191,449	\$ 249,835
Operating grants and contributions	215,745	250,046	271,892	330,752	319,109	347,813	359,117	362,920	371,489	410,561
Capital grants and contributions										
Total business-type activities program revenues	575,452	606,464	617,517	648,501	623,369	647,023	666,547	595,978	562,938	660,396
Total district program revenues	\$ 14,341,423	\$ 12,278,546	\$ 7,214,612	\$ 8,648,796	\$ 8,722,181	\$ 9,122,653	\$ 9,590,034	\$ 8,693,112	\$ 9,665,469	\$ 10,014,265
Net (Expense)/Revenue:										
Governmental activities	\$ (17,021,668)	\$ (19,148,248)	\$ (26,800,407)	\$ (25,112,571)	\$ (24,083,399)	\$ (24,865,216)	\$ (25,882,183)	\$ (27,095,997)	\$ (27,283,958)	\$ (26,790,068)
Business-type activities	(30,396)	(41,267)	(27,004)	(7,487)	(3,489)	(44,286)	(56,327)	(69,455)	(59,847)	(15,903)
Total district-wide net expense	\$ (17,052,064)	\$ (19,189,515)	\$ (26,827,411)	\$ (25,120,058)	\$ (24,086,888)	\$ (24,909,502)	\$ (25,938,510)	\$ (27,165,452)	\$ (27,343,805)	\$ (26,805,971)
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 11,955,900	\$ 12,574,904	\$ 12,999,915	\$ 13,519,912	\$ 13,865,535	\$ 13,934,863	\$ 13,854,194	\$ 13,854,194	\$ 14,131,278	\$ 14,610,216
Taxes levied for debt service	872,806	739,777	760,000	1,275,338	1,354,713	1,354,962	1,280,826	1,295,597	1,264,634	1,279,812
Unrestricted grants and contributions	9,860,765	10,537,524	10,424,813	10,304,858	9,807,569	10,365,425	10,211,300	10,748,202	10,529,933	10,605,731
State aid restricted for capital projects					105,000					
Investment earnings	559,267	265,814	195,039	44,230	19,268	3,000	2,460	2,060	1,761	2,034
Miscellaneous income	261,698	180,219	555,429	142,053	567,278	180,837	538,057	498,457	261,981	447,340
Loss on disposal of assets										
State aid canceled on completed projects					(323,433)	18,367				
Transfers	(50,000)	(50,000)	(50,000)	143,851	8,172	(17,720)	(8,000)	(52,991)	(22,712)	-
Total governmental activities	23,460,436	24,248,238	24,885,196	25,430,242	25,404,102	25,839,734	25,878,837	26,345,519	26,166,875	26,945,133
Business-type activities:										
Investment earnings							60	254	133	134
Contributed capital							50,630	-	-	-
Transfers	50,000	50,000	50,000	3,942	(8,172)	17,720	8,000	52,991	22,712	-
Total business-type activities	50,000	50,000	50,000	3,942	(8,172)	17,720	58,690	53,245	22,845	134
Total district-wide	\$ 23,510,436	\$ 24,298,238	\$ 24,935,196	\$ 25,434,184	\$ 25,395,930	\$ 25,857,454	\$ 25,937,527	\$ 26,398,764	\$ 26,189,720	\$ 26,945,267
Change in Net Position:										
Governmental activities	\$ 6,438,768	\$ 5,099,990	\$ (1,915,211)	\$ 317,671	\$ 1,320,703	\$ 974,518	\$ (3,346)	\$ (750,478)	\$ (1,117,083)	\$ 155,065
Business-type activities	19,604	8,733	22,996	(3,545)	(11,661)	(26,566)	2,363	(16,210)	(37,002)	(15,769)
Total district-wide	\$ 6,458,372	\$ 5,108,723	\$ (1,892,215)	\$ 314,126	\$ 1,309,042	\$ 947,952	\$ (983)	\$ (766,688)	\$ (1,154,085)	\$ 139,296

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

Fiscal Year Ending June 30,

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund:										
Restricted for:										
Capital reserve	\$ 220,839	\$ 316,653	\$ 225,625	\$ 234,204	\$ 345,784	\$ 448,784	\$ 951,244	\$ 704,304	\$ 813,471	\$ 815,505
Excess surplus	581,615	567,159	650,322	1,348,469	2,234,598	2,313,050	2,402,196	2,376,577	2,017,432	2,012,729
Future tuition payments			210,000	430,000	850,000	850,000	430,000	-	-	-
Maintenance reserve							250,000	250,000	250,000	250,000
Assigned to:										
Year-end Encumbrances		351,784	416,341	248,025	90,882	472,335	197,842	90,088	78,818	40,483
Designated for subsequent year's budget	1,536,000	1,300,000	750,000	1,077,502	1,348,469	2,531,533	2,435,052	2,533,825	2,376,577	2,071,107
ARRA/SEMI - Designated for subsequent year's budget									27,712	-
Unassigned	39,146	43,348	(377,325)	(519,813)	(312,147)	(394,584)	(332,807)	(355,456)	(379,366)	(348,741)
Total general fund	<u>\$ 2,377,600</u>	<u>\$ 2,578,944</u>	<u>\$ 1,874,963</u>	<u>\$ 2,818,387</u>	<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>
All Other Governmental Funds										
Unreserved, reported in:										
Special revenue fund	\$ (9,944)	\$ (9,944)	\$ 29,915	\$ 26,680	\$ 62,106	\$ 65,518	\$ -	\$ -	\$ -	\$ -
Capital projects fund	8,687,632	1,114,942	505,933	358,122	255,860			510,833	-	-
Debt service fund	517,803	297,180		58,084	73,356	91,722	38,120	19,755	1	-
Total all other governmental funds	<u>\$ 9,195,491</u>	<u>\$ 1,402,178</u>	<u>\$ 535,848</u>	<u>\$ 442,886</u>	<u>\$ 391,322</u>	<u>\$ 157,240</u>	<u>\$ 38,120</u>	<u>\$ 530,588</u>	<u>\$ 1</u>	<u>\$ -</u>

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

Fiscal Year Ending June 30,

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Tax levy	\$ 12,828,706	\$ 13,314,681	\$ 13,759,915	\$ 14,795,250	\$ 15,220,248	\$ 15,289,825	\$ 15,135,020	\$ 15,149,791	\$ 15,395,912	\$ 15,890,028
Tuition charges	3,015,289	3,198,375	3,607,825	4,648,623	4,924,948	4,736,771	4,289,216	4,413,861	4,883,512	4,627,337
Interest earnings	559,267	345,158	195,039	44,230	19,268	3,000	2,460	2,060	1,761	2,034
Miscellaneous	261,698	430,219	555,429	142,054	567,278	246,133	458,027	498,457	261,981	447,340
State sources	19,553,059	18,160,652	12,469,909	10,990,050	11,899,773	12,507,606	13,425,090	13,483,918	13,566,973	14,312,299
Federal sources	1,058,388	858,112	944,174	2,666,480	1,186,660	1,104,647	966,743	947,557	1,181,979	1,019,964
Total revenue	37,276,407	36,307,197	31,532,291	33,286,687	33,818,175	33,887,982	34,276,556	34,495,644	35,292,118	36,299,002
Expenditures										
Instruction										
Regular Instruction	9,545,552	9,708,373	10,038,027	9,218,002	9,024,146	9,156,935	9,100,374	9,343,192	10,267,722	10,412,950
Special education instruction	1,602,135	1,714,139	1,822,945	3,161,493	3,099,125	2,855,516	3,189,373	3,194,621	3,022,304	2,858,171
Other instruction	1,316,638	1,392,166	1,534,930	1,554,733	1,451,420	1,554,714	1,609,605	1,593,306	1,582,734	1,623,513
Support Services:										
Tuition	1,013,042	1,217,659	1,082,234	730,601	770,843	848,489	772,694	609,230	445,406	637,640
Student & instruction related services	3,283,504	3,406,727	3,209,559	3,478,532	3,038,583	3,145,003	3,413,607	3,414,395	3,648,677	3,732,662
School administrative services	1,203,286	1,247,196	1,387,473	1,308,976	1,321,990	1,355,675	1,364,083	1,295,442	1,250,810	1,281,363
General and business admin. services	969,130	845,887	992,022	893,472	913,792	936,775	892,174	990,925	964,790	997,347
Plant operations and maintenance	2,700,113	2,867,015	3,112,016	3,130,836	2,991,063	2,789,911	2,877,765	3,206,745	3,235,748	3,150,310
Pupil transportation	598,616	641,564	552,536	461,810	419,354	390,946	441,979	469,426	536,512	494,675
Other support services	7,279,463	7,004,060	6,770,342	6,670,967	6,950,050	7,402,029	8,323,551	8,104,380	8,880,918	9,444,269
Special Schools	18,071	27,159	14,096	16,706	12,076	7,618	1,617	949	6,198	19,439
Charter Schools	77,214	49,427	40,229	100,847	86,958	83,754	136,647	108,608	131,698	146,103
Capital outlay	16,299,390	12,180,517	823,603	449,403	381,166	576,851	808,680	1,039,193	956,782	564,309
Debt service:										
Principal	500,000	400,000	450,000	500,000	600,000	625,000	705,000	735,000	735,000	760,000
Interest and other charges	831,025	810,400	1,222,590	775,337	754,713	729,963	638,118	578,962	549,388	519,813
Total expenditures	47,237,179	43,512,269	33,052,602	32,451,715	31,815,279	32,459,179	34,275,267	34,684,374	36,214,687	36,642,564
Excess (Deficiency) of revenues over (under) expenditures	(9,960,772)	(7,205,092)	(1,520,311)	834,972	2,002,896	1,428,803	1,289	(188,730)	(922,569)	(343,562)
Other Financing sources (uses)										
Proceeds from borrowing										
Due to state for prior year overpayment		(7,533)								
Prior year arbitrage rebate canceled				19,432						
Accrued interest on sale of bonds										
Prior year state aid receivable canceled					(323,433)	18,367	-	-	-	-
Transfers in	547,179		385,411	178,560	234,109	18,367	-	-	107,406	-
Transfers out	(597,179)	(379,344)	(435,411)	(182,502)	(225,937)	(36,087)	(8,000)	(52,991)	(130,118)	-
Total other financing sources (uses)	(50,000)	(386,877)	(50,000)	15,490	(315,261)	647	(8,000)	(52,991)	(22,712)	-
Net change in fund balances	\$ (10,010,772)	\$ (7,591,969)	\$ (1,570,311)	\$ 850,462	\$ 1,687,635	\$ 1,429,450	\$ (6,711)	\$ (241,721)	\$ (945,281)	\$ (343,562)
Debt service as a percentage of noncapital expenditures	4.30%	3.86%	5.19%	3.99%	4.31%	4.25%	4.01%	3.91%	3.64%	3.55%

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)

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
2007	\$ 788,008	\$ 3,015,289	\$ 16,215	\$ -	\$ 5,644	\$ -	\$ -	\$ 11,098	\$ -	\$ -	\$ 3,836,254
2008	727,168	3,198,375	17,586		22,913			7,710			3,973,752
2009	592,544	3,607,825	10,941	129,577	3,429			8,495		5,482	4,358,293
2010	102,241	4,648,623	13,896	7,552	8,604			18,684		35,307	4,834,907
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
	<u>\$ 2,449,456</u>	<u>\$ 42,265,719</u>	<u>\$ 131,400</u>	<u>\$ 368,115</u>	<u>\$ 95,284</u>	<u>\$ 235,483</u>	<u>\$ 1,326,330</u>	<u>\$ 55,975</u>	<u>\$ 297,277</u>	<u>\$ 137,794</u>	<u>\$47,362,833</u>

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Source: District records

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

J-6

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
2007	\$ 3,258,300	\$ 402,555,600	\$ 55,417,400	\$ 18,525,600	\$ 479,756,900	\$ 2,071,281	\$ 481,828,181	\$ 160,268,900	\$ 2.629	\$ 980,501,051
2008 R	10,780,100	908,917,800	122,710,600	41,623,700	1,084,032,200	3,689,162	1,087,721,362	201,597,276	1.207	1,087,721,362
2009	7,956,500	907,379,400	119,269,300	41,523,700	1,076,128,900	3,829,134	1,079,958,034	285,219,700	1.284	1,152,420,827
2010	7,856,900	908,013,100	116,609,600	40,265,800	1,072,745,400	3,883,294	1,076,628,694	286,540,900	1.357	1,143,980,074
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	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	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	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	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	1,062,114,500	283,705,000	1.506	1,048,832,540

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 Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Collingswood	Business Improvement	Camden County	Municipal Library	
2007	\$ 1.026	\$ 0.181	\$ 1.207	\$ 1.368	\$ 0.297	\$ 1.338	\$ -	\$ 4.210
2008	R 1.139	0.068	1.207	0.653	0.139	0.599		2.598
2009	1.164	0.120	1.284	0.722	0.154	0.615		2.775
2010	1.232	0.125	1.357	0.846	0.161	0.649		3.013
2011	1.255	0.125	1.380	0.878	0.161	0.721		3.140
2012	1.255	0.125	1.380	0.885	0.167	0.751		3.183
2013	1.269	0.120	1.389	0.882	0.166	0.785	0.033	3.255
2014	1.289	0.119	1.408	0.936	0.174	0.774	0.032	3.324
2015	1.330	0.119	1.449	0.971	0.179	0.789	0.031	3.419
2016	1.387	0.119	1.506	0.981	0.181	0.819	0.033	3.520

Source: Municipal Tax Collector

R Reassessment.

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

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Taxpayer	2016		Taxpayer	2007	
	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	\$ 5,026,688	1.04%
Collingswood Assoc.	3,624,100	0.34%	Cooper River Manor Investors	4,343,200	0.90%
Parkview Urban Renewal LLC	3,384,000	0.32%	Station House Associates	3,175,600	0.66%
Flaum Prop. Co.	3,325,000	0.31%	Collingswood Associates	2,600,000	0.54%
ACE Partnership	3,300,000	0.31%	ACE Partnerships	2,400,200	0.50%
900 Haddon Avenue LLC	3,057,400	0.29%	Flaum Prop. Co.	1,441,400	0.30%
Crestwood Associates	2,751,000	0.26%	ALDI, Inc.	1,210,000	0.25%
Aldi, Inc.	2,300,000	0.22%	Crestwood Associates	1,188,000	0.25%
New Jersey Bell Telephone	1,990,000	0.19%	South Jersey S & L Association	898,800	0.19%
Inter Brotherhood Teamsters	1,977,400	0.19%	International Brotherhood Teamsters	875,400	0.18%
Total	\$ 35,527,100	3.34%		\$ 23,159,288	4.81%

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2007	\$ 12,828,706	\$ 12,828,706	100.00%	-
2008	13,314,681	13,314,681	100.00%	-
2009	13,759,915	13,759,915	100.00%	-
2010	14,795,250	14,795,250	100.00%	-
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%	-

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			
2007	\$ 19,176,000	\$ -	\$ -	\$ 19,176,000	3.44%	1,377
2008	18,776,000			18,776,000	3.28%	1,355
2009	18,326,000			18,326,000	3.18%	1,324
2010	17,826,000			17,826,000	3.05%	1,280
2011	17,226,000			17,226,000	2.81%	1,239
2012	16,601,000			16,601,000	2.67%	1,195
2013	16,120,000			16,120,000	2.57%	1,160
2014	15,385,000			15,385,000	2.37%	1,110
2015	14,650,000			14,650,000	(1)	1,046
2016	13,890,000			13,890,000	(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)

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		
2007	\$ 19,176,000	\$ -	\$ 19,176,000	3.98%	1,377
2008	18,776,000		18,776,000	1.73%	1,355
2009	18,326,000		18,326,000	1.70%	1,324
2010	17,826,000		17,826,000	1.66%	1,280
2011	17,226,000		17,226,000	1.60%	1,239
2012	16,601,000		16,601,000	1.55%	1,195
2013	16,120,000		16,120,000	1.50%	1,160
2014	15,385,000		15,385,000	1.44%	1,110
2015	14,650,000		14,650,000	1.38%	1,046
2016	13,890,000		13,890,000	1.31%	(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, 2015

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	\$ 27,482,006 (1)	100.000%	\$ 27,482,006
Camden County General Obligation Debt	342,450,384 (2)	2.761%	9,455,055
Subtotal, overlapping debt			<u>36,937,061</u>
Collingswood School District Direct Debt			<u>14,650,000</u>
Total direct and overlapping debt			<u><u>\$ 51,587,061</u></u>

Sources:

- (1) Entity's Audit Report
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2015 Equalized Valuation. The source for this computation was the 2015 County Abstract of Ratables, provided by the County Board of Taxation.

Legal Debt Margin Calculation for Fiscal Year 2016

Equalized valuation basis (1)	
2013	\$ 1,030,702,926
2014	1,014,936,384
2015	<u>1,046,841,282</u>
	<u>\$ 3,092,480,592</u>

Average equalized valuation of taxable property \$ 1,030,826,864

Debt limit (4% of average equalized valuation) (2)	\$ 41,233,075
Net bonded school debt (3)	<u>13,890,000</u>
Legal debt margin	<u>\$ 27,343,075</u>

Fiscal Year

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt limit	\$ 32,323,727	\$ 37,675,596	\$ 41,620,998	\$ 43,400,900	\$ 43,844,606	\$ 43,772,249	\$ 43,549,552	\$ 42,617,720	\$ 41,551,671	\$ 41,233,075
Total net debt applicable to limit (3)	<u>19,176,000</u>	<u>18,776,000</u>	<u>18,326,000</u>	<u>17,826,000</u>	<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>
Legal debt margin	<u>\$ 13,147,727</u>	<u>\$ 18,899,596</u>	<u>\$ 23,294,998</u>	<u>\$ 25,574,900</u>	<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>
Total net debt applicable to the limit as a percentage of debt limit	59.32%	49.84%	44.03%	41.07%	40.66%	37.93%	37.02%	36.10%	35.26%	33.69%

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

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2007	13,927	\$ 557,163,562	\$ 40,006	4.6%
2008	13,854	573,181,542	41,373	6.0%
2009	13,839	576,269,799	41,641	9.5%
2010	13,929	584,920,497	41,993	10.0%
2011	13,906	613,463,190	44,115	9.8%
2012	13,894	621,645,348	44,742	9.9%
2013	13,899	626,525,223	45,077	8.8%
2014	13,862	649,933,732	46,886	5.8%
2015	14,000	e	e	4.6%
2016	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

<u>Function/Program</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Instruction										
Regular	179.0	182.0	136.5	137.0	141.1	144.0	142.0	143.0	147.0	141.0
Special education	8.5	9.0	44.5	57.0	43.2	50.0	69.0	67.0	67.5	64.0
Support Services:										
Student & instruction related services	51.0	51.0	45.0	46.0	36.0	36.0	60.0	54.5	48.0	48.0
School administrative services	19.0	19.0	19.0	18.0	17.0	17.0	17.0	17.0	17.0	17.0
General and business administrative services	9.5	9.5	9.5	9.5	8.7	8.7	8.7	8.7	8.7	8.7
Plant operations and maintenance	32.0	32.0	32.0	33.0	33.5	33.5	33.5	32.0	32.0	32.0
Business and other support services										
Total	<u>299.0</u>	<u>302.5</u>	<u>286.5</u>	<u>300.5</u>	<u>279.5</u>	<u>289.2</u>	<u>330.2</u>	<u>322.2</u>	<u>320.2</u>	<u>310.7</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				
2007	1,915	\$ 29,606,764	\$ 15,460	6.45%	193	1:10.33	1:09.85	1:10.29	1,885.9	1,785.8	-1.26%	94.69%
2008	1,911	30,121,372	15,762	1.95%	195	1:10.33	1:09.85	1:10.29	1,910.9	1,802.3	1.33%	94.32%
2009	1,935	30,556,409	15,791	0.19%	181	1:10.98	1:08.05	1:12.07	1,935.3	1,824.5	1.28%	94.27%
2010	1,906	30,726,975	16,121	2.09%	175	1:10.89	1:08.03	1:12.70	1,913.7	1,783.7	-1.10%	93.21%
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%

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>District Building</u>										
<u>Elementary</u>										
Garfield Elementary (1915)										
Square Feet	16,170	16,007	16,007	16,007	16,007	16,007	16,007	16,007	16,007	16,007
Capacity (students)	175	127	127	127	127	127	127	127	127	127
Enrollment	139	136	116	125	136	117	134	132	142	140
Newbie Elementary (1923)										
Square Feet	21,527	20,669	20,669	20,669	20,669	20,669	20,669	20,669	20,669	20,669
Capacity (students)	205	155	155	155	155	155	155	155	155	155
Enrollment	164	164	153	156	164	146	141	145	125	133
Sharp Elementary (1905)										
Square Feet	27,361	25,684	25,684	25,684	25,684	25,684	25,684	25,684	25,684	25,684
Capacity (students)	294	202	202	202	202	202	202	202	202	202
Enrollment	161	165	155	154	165	149	158	150	170	157
Tatem Elementary (1951)										
Square Feet	23,040	26,827	26,827	26,827	26,827	26,827	26,827	26,827	26,827	26,827
Capacity (students)	348	201	201	201	201	201	201	201	201	201
Enrollment	195	194	185	187	194	183	203	214	223	240
Zane North Elementary (1951)										
Square Feet	22,609	24,003	24,003	24,003	24,003	24,003	24,003	24,003	24,003	24,003
Capacity (students)	213	181	181	181	181	181	181	181	181	181
Enrollment	175	174	158	178	174	151	179	185	172	182
<u>Middle School</u>										
Collingswood Middle (1922)										
Square Feet	79,874	94,605	94,605	94,605	94,605	94,605	94,605	94,605	94,605	94,605
Capacity (students)	855	647	647	647	647	647	647	647	647	647
Enrollment	269	255	346	317	255	372	357	353	334	361
<u>Senior High School</u>										
Collingswood High School (1962)										
Square Feet	124,966	154,878	154,878	154,878	154,878	154,878	154,878	154,878	154,878	154,878
Capacity (students)	1,065	1,065	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055
Enrollment	740	823	823	789	823	690	681	688	707	729
<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, 2016										
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

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
* School Facilities											
High School	\$ 65,434	\$ 76,710	\$ 117,350	\$ 95,801	\$ 90,381	\$ 129,342	\$ 137,690	\$ 393,406	\$ 424,661	\$ 413,619	\$ 1,944,394
Middle School	35,216	24,776	33,800	25,407	52,807	61,720	53,216	240,466	259,571	252,821	1,039,800
Garfield Elementary	4,887	5,338	17,300	21,808	7,027	19,940	41,555	40,538	43,759	42,621	244,773
Newbie Elementary	9,513	9,524	14,400	12,866	20,654	34,961	17,759	52,515	56,688	55,214	284,094
Sharp Elementary	16,505	33,377	32,050	28,555	14,226	22,203	36,878	65,414	70,611	68,775	388,594
Tatem Elementary	6,888	17,337	17,050	23,017	21,271	17,315	54,394	68,178	73,595	71,681	370,726
Zane North Elementary	17,170	7,118	23,900	19,220	20,571	40,940	17,276	60,808	65,638	63,931	336,572
Total School Facilities	\$ 155,613	\$ 174,180	\$ 255,850	\$ 226,674	\$ 226,937	\$ 326,421	\$ 358,768	\$ 921,325	\$ 994,523	\$ 968,662	\$ 4,608,953

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* 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, 2016

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	\$ 150,000,000	\$ 250,000	\$ 500
Boiler and Machinery	125,000		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	175,000	
Pollution Legal Liability	3,000,000		25,000
Cyber Liability	1,000,000		25,000
Violent Malicious Acts	1,000,000		15,000
Commerical Canine (2)	1,000,000		5,000
Student Accident Insurance (3)	1,000,000		
Surety Bonds (4)			
Board Secretary	25,000		

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

Source: District records

Single Audit Section

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 New Jersey Society of CPAs

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
 REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
 ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
 UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL
 ASSISTANCE AS REQUIRED BY NEW JERSEY TREASURY CIRCULAR OMB 15-08**

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 (School District), in the County of Camden, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the *New Jersey State Aid/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, 2016. 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 the requirements of federal and state statutes, regulations, and the terms and conditions of its federal awards and state financial assistance 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, and 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 Treasury Circular OMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, Uniform Guidance and New Jersey Treasury Circular OMB 15-08 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 and 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, 2016.

Report on Internal Control Over Compliance

Management of the Collingswood School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing 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 and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey Treasury Circular OMB 15-08, 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 the New Jersey Treasury Circular OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

I have audited 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, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. I issued my report thereon dated September 15, 2016, which contained unmodified opinions on those financial statements. My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey Treasury Circular OMB 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

This report is intended for the information of the Board of Education, the New Jersey Department of Education, and Federal awarding agencies.

INVERSO & STEWART, LLC
Certified Public Accountants



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Marlton, New Jersey
September 15, 2016

COLLINGSWOOD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year ended June 30, 2016

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, 2015			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2016		
						(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 2016	84.010A	S010A150030	NCLB094016	\$ 463,216	7/1/15 - 6/30/16	\$ -	\$ -	\$ -	\$ -	\$ 191,526	\$ (438,840)	\$ -	\$ -	\$ (247,314)	\$ -	\$ -
Fiscal Year 2015	84.010A	S010A150030	NCLB094015	479,099	7/1/14 - 6/30/15	(154,482)				154,482						
Title II A:																
Fiscal Year 2016	84.367A	S367A150029	NCLB094016	74,065	7/1/15 - 6/30/16					39,854	(48,684)			(8,830)		
Fiscal Year 2015	84.367A	S367A150029	NCLB094015	83,187	7/1/14 - 6/30/15	(90)				90						
Fiscal Year 2014	84.367A	S367A150029	NCLB094014	59,000	7/1/14 - 6/30/15	(104)						104				
Title III:																
Fiscal Year 2016	84.365	S365A150030	NCLB094016	23,056	7/1/15 - 6/30/16					5,056	(14,806)			(9,750)		
I.D.E.A. Part B - Basic:																
Fiscal Year 2016	84.027	H027A150100	IDEA094016	506,900	7/1/15 - 6/30/16					188,909	(360,540)			(171,631)		
Fiscal Year 2015	84.027	H027A150100	IDEA094015	537,502	7/1/14 - 6/30/15	(101,901)				101,901						
Fiscal Year 2013	84.027	H027A150100	IDEA094013	518,867	9/1/12 - 8/31/13	(1)						1				
I.D.E.A. Part B - Preschool:																
Fiscal Year 2016	84.173	H173A150114	IDEA094016	11,463	7/1/15 - 6/30/16					6,935	(11,463)			(4,528)		
Fiscal Year 2015	84.173	H173A150114	IDEA094015	10,984	7/1/14 - 6/30/15	(1,021)				1,021						
Race to the Top																
Fiscal Year 2014	84.413A	B413A120008	RTTT094014	21,176	7/1/13 - 6/30/14	(17,176)				17,176						
Total U.S. Department of Education						(274,775)	-	-	-	706,950	(874,333)	105	-	(442,053)	-	-
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
Food Distribution Program:																
Fiscal Year 2016	10.565	16161NJ304N1099	N/A	36,166	7/1/15 - 6/30/16					36,166	(36,166)					
School Breakfast Program:																
Fiscal Year 2016	10.553	16161NJ304N1099	N/A	91,422	7/1/15 - 6/30/16					85,360	(91,422)			(6,062)		
Fiscal Year 2015	10.553	16161NJ304N1099	N/A	67,282	7/1/14 - 6/30/15	(5,406)				5,406						
National School Lunch Program																
Fiscal Year 2016	10.555	16161NJ304N1099	N/A	276,661	7/1/15 - 6/30/16					264,226	(276,661)			(12,435)		
Fiscal Year 2015	10.555	16161NJ304N1099	N/A	260,784	7/1/14 - 6/30/15	(14,794)				14,794						
Total U.S. Department of Agriculture						(20,200)	-	-	-	405,952	(404,249)	-	-	(18,497)	-	-
U.S. Department of Health and Human Services																
Passed-through State Department of Human Services:																
General Fund:																
Medicaid Assistance Program																
Fiscal Year 2016	93.778	1605NJ5MAP	N/A	115,726	7/1/15 - 6/30/16					74,029	(115,726)			(41,697)		
Fiscal Year 2015	93.778	1605NJ5MAP	N/A	146,422	7/1/14 - 6/30/15	(24,328)				24,328						
						(24,328)	-	-	-	98,357	(115,726)	-	-	(41,697)	-	-
Total Federal Awards						\$ (319,303)	\$ -	\$ -	\$ -	\$ 1,211,259	\$ (1,394,308)	\$ 105	\$ -	\$ (502,247)	\$ -	\$ -

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, 2016

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2015			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance, June 30, 2016		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor				(Accounts Receivable)	Deferred Revenue	Due to Grantor
State Department of Education												
General Fund:												
Equalization Aid	16-495-034-5120-078	\$ 7,836,707	7/1/15- 6/30/16	\$ -	\$ -	\$ -	\$ 7,112,228	\$ (7,836,707)	\$ -	\$ (724,479)	\$ -	\$ -
Equalization Aid	15-495-034-5120-078	7,836,707	7/1/14- 6/30/15	(743,899)	-	-	743,899	-	-	-	-	-
Special Education Categorical Aid	16-495-034-5120-089	908,909	7/1/15- 6/30/16	-	-	-	824,883	(908,909)	-	(84,026)	-	-
Special Education Categorical Aid	15-495-034-5120-089	908,909	7/1/14- 6/30/15	(86,278)	-	-	86,278	-	-	-	-	-
Security Aid	16-495-034-5120-084	265,588	7/1/15- 6/30/16	-	-	-	241,035	(265,588)	-	(24,553)	-	-
Security Aid	15-495-034-5120-084	265,588	7/1/14- 6/30/15	(25,211)	-	-	25,211	-	-	-	-	-
Adjustment Aid	16-495-034-5120-085	1,044,170	7/1/15- 6/30/16	-	-	-	947,640	(1,044,170)	-	(96,530)	-	-
Adjustment Aid	15-495-034-5120-085	1,044,170	7/1/14- 6/30/15	(99,118)	-	-	99,118	-	-	-	-	-
Transportation Aid	16-495-034-5120-014	179,759	7/1/15- 6/30/16	-	-	-	163,141	(179,759)	-	(16,618)	-	-
Transportation Aid	15-495-034-5120-014	179,759	7/1/14- 6/30/15	(17,063)	-	-	17,063	-	-	-	-	-
School Choice Aid	16-495-034-5120-068	133,042	7/1/15- 6/30/16	-	-	-	120,743	(133,042)	-	(12,299)	-	-
School Choice Aid	15-495-034-5120-068	123,539	7/1/14- 6/30/15	(11,727)	-	-	11,727	-	-	-	-	-
Extraordinary Special Education Costs Aid	16-495-034-5120-044	25,413	7/1/15- 6/30/16	-	-	-	-	(25,413)	-	(25,413)	-	-
Extraordinary Special Education Costs Aid	15-495-034-5120-044	23,780	7/1/14- 6/30/15	(23,780)	-	-	23,780	-	-	-	-	-
PARCC Readiness Aid	16-495-034-5120-098	16,010	7/1/15- 6/30/16	-	-	-	14,530	(16,010)	-	(1,480)	-	-
PARCC Readiness Aid	15-495-034-5120-098	16,010	7/1/14- 6/30/15	(1,520)	-	-	1,520	-	-	(1,480)	-	-
Per Pupil Growth Aid	16-495-034-5120-097	16,010	7/1/15- 6/30/16	-	-	-	14,530	(16,010)	-	(1,480)	-	-
Per Pupil Growth Aid	15-495-034-5120-097	16,010	7/1/14- 6/30/15	(1,520)	-	-	1,520	-	-	-	-	-
Homeless Tuition Aid	16-495-034-5120-005	51,764	7/1/15- 6/30/16	-	-	-	-	(51,764)	-	(51,764)	-	-
Homeless Tuition Aid	15-495-034-5120-005	51,764	7/1/14- 6/30/15	-	-	-	-	-	-	-	-	-
On-behalf TPAF Post Retirement Medical	16-495-034-5094-001	1,400,885	7/1/15- 6/30/16	-	-	-	1,400,885	(1,400,885)	-	-	-	-
On-behalf TPAF Pension Contribution	16-495-034-5094-002	1,176,500	7/1/15- 6/30/16	-	-	-	1,176,500	(1,176,500)	-	(54,584)	-	-
Reimbursed TPAF Social Security Contr.	16-495-034-5094-003	1,109,106	7/1/15- 6/30/16	-	-	-	1,094,372	(1,109,106)	-	-	-	-
Reimbursed TPAF Social Security Contr.	15-495-034-5094-003	1,102,780	7/1/14- 6/30/15	(54,517)	-	-	54,517	-	-	(54,584)	-	-
Total General Fund				(1,064,635)	-	-	14,135,270	(14,183,863)	-	(1,093,226)	-	-
Special Revenue Fund:												
NJ Nonpublic Aid:												
Textbook Aid	16-100-034-5120-064	9,479	7/1/15- 6/30/16	-	-	-	9,479	(8,526)	-	-	-	953
Textbook Aid	15-100-034-5120-064	9,712	7/1/14- 6/30/15	-	-	-	-	-	24	-	-	-
Nursing Aid	16-100-034-5120-070	14,940	7/1/15- 6/30/16	-	-	-	14,940	(14,791)	-	-	-	149
Nursing Aid	15-100-034-5120-070	15,481	7/1/14- 6/30/15	-	-	-	-	-	155	-	-	-
Technology Aid	16-100-034-5120-373	4,316	7/1/15- 6/30/16	-	-	-	4,316	(3,430)	-	-	-	886
Technology Aid	15-100-034-5120-373	5,216	7/1/14- 6/30/15	-	-	-	-	-	26	-	-	-
Security Aid	16-100-034-5120-509	4,150	7/1/15- 6/30/16	-	-	-	4,150	(1,097)	-	-	-	3,053
Auxiliary Services:												
Compensatory Education	16-100-034-5120-067	80,373	7/1/15- 6/30/16	-	-	-	80,373	(60,912)	-	-	-	19,461
Compensatory Education	15-100-034-5120-067	67,634	7/1/14- 6/30/15	-	-	-	-	-	9,945	-	-	-
ESL	16-100-034-5120-067	1,725	7/1/15- 6/30/16	-	-	-	1,726	-	-	-	-	1,726
Home Instruction	16-100-034-5120-067	1,419	7/1/15- 6/30/16	-	-	-	-	(1,419)	-	(1,419)	-	-
Handicapped Services:												
Supplemental Instruction	16-100-034-5120-066	20,049	7/1/15- 6/30/16	-	-	-	20,049	(5,569)	-	-	-	14,480
Supplemental Instruction	15-100-034-5120-068	11,771	7/1/14- 6/30/15	-	-	-	-	-	3,139	-	-	-
Examination & Classification	16-100-034-5120-066	21,641	7/1/15- 6/30/16	-	-	-	21,641	(12,271)	-	-	-	9,370
Examination & Classification	15-100-034-5120-066	15,848	7/1/14- 6/30/15	-	-	-	-	-	-	-	-	-
Corrective Speech	16-100-034-5120-066	33,443	7/1/15- 6/30/16	-	-	-	33,443	(15,550)	-	-	-	17,893
Corrective Speech	15-100-034-5120-066	31,806	7/1/14- 6/30/15	-	-	-	-	-	7,686	-	-	-
Total Special Revenue Fund				-	-	20,975	190,117	(123,565)	20,975	(1,419)	-	87,971
State Department of Agriculture												
Enterprise Fund:												
National School Lunch Program (State Share)												
Fiscal Year 2016	16-100-010-3350-023	6,312	7/1/15- 6/30/16	-	-	-	6,043	(8,312)	-	(269)	-	-
Fiscal Year 2015	15-100-010-3350-023	6,201	7/1/14- 6/30/15	(527)	-	-	527	-	-	(269)	-	-
Total Enterprise Fund				(527)	-	-	6,570	(6,312)	-	(269)	-	-
Total State Financial Assistance				\$ (1,065,160)	\$ -	\$ 20,975	\$ 14,331,957	\$ (14,293,740)	\$ 20,975	\$ (1,094,914)	\$ -	\$ 87,971
Less: State Financial Expenditures Not Subject to Major Program Determination												
On-Behalf TPAF Contribution - Pension (Non-Budgeted)								(1,176,500)				
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)								(1,400,885)				
Total State Financial Expenditures Subject to Major Program Determination								\$ (11,716,355)				

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, 2016**

I. 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; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$24,871 for the general fund and \$29,905 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	\$ 115,726	\$ 14,188,734	\$ 14,304,460
Special Revenue	904,238	123,565	1,027,803
Capital Projects		-	-
Food Service	<u>404,249</u>	<u>6,312</u>	<u>410,561</u>
Total	<u>\$ 1,424,213</u>	<u>\$ 14,318,611</u>	<u>\$ 15,742,824</u>

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.

Collingswood School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2016
(Continued)

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, 2016. 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, 2016.

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:

	<u>Federal</u>
Cancelation of accounts receivable	\$ 105
Total	<u>\$ 105</u>

COLLINGSWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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 that are not considered to be a material weakness? 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 that are not considered to be a 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 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>16161NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.553</u>	<u>16161NJ304N1099</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>
<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, 2016

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>16-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>16-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>16-495-034-5120-085</u>	<u>Adjustment Aid</u>
<u>16-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>16-100-010-3350-023</u>	<u>School Lunch Program</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, 2016**

Section 2 -- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting in a Circular A-133 audit.

No findings identified .

COLLINGSWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* and NJOMB Circular Letter 15-08, as applicable.

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 basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and NJOMB's Circular 14-04 and/or 15-08, as applicable.

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.