

SCHOOL DISTRICT
OF
COLLINGSWOOD



Collingswood Board of Education
Collingswood, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015

**Comprehensive Annual
Financial Report**

of the

Collingswood Board of Education

Collingswood, New Jersey

For the Fiscal Year Ended June 30, 2015

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

Collingswood School District

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	2
Organizational Chart	7
Roster of Officials	8
Consultants and Advisors	9

FINANCIAL SECTION

Independent Auditor's Report	11
-------------------------------------	----

K-1 Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	14
---	----

Required Supplementary Information - Part I Management's Discussion and Analysis	17
---	----

Basic Financial Statements

A. District-wide Financial Statements:

A-1 Statement of Net Position	27
A-2 Statement of Activities	28

B. Fund Financial Statements:

Governmental Funds:

B-1 Balance Sheet	30
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	31
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32

Proprietary Funds:

B-4 Statement of Net Position	33
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	34
B-6 Statement of Cash Flows	35

Fiduciary Funds:

B-7 Statement of Fiduciary Net Position	36
B-8 Statement of Changes in Fiduciary Net Position	37

Notes to the Financial Statements	38
--	----

Required Supplementary Information - Part II

C.	Budgetary Comparison Schedules	
C-1	Budgetary Comparison Schedule - General Fund	63
C-1a	Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (if applicable)	N/A
C-2	Budgetary Comparison Schedule - Special Revenue Fund	70

Notes to the Required Supplementary Information

C-3	Budget-to-GAAP Reconciliation	71
-----	-------------------------------	----

Required Supplementary Information - Part III

L.	Schedules Related to Accounting and Reporting for Pensions (GASB-68)	
L-1	Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System	73
L-2	Schedule of the District Contributions - Public Employees Retirement System	74
L-3	Schedule of the District's Proportionate Share of the Net Pension Liability - Teachers' Pension and Annuity Fund	75

Notes to the Required Supplementary Information - Part III 76

Other Supplementary Information

D.	School Level Schedules :	N/A
E.	Special Revenue Fund:	
E-1	Combining Schedule of Revenues and Expenditures Special Revenue Fund - Budgetary Basis	79
F.	Capital Projects Fund:	
F-1	Summary Statement of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	84
G.	Proprietary Fund:	
	Enterprise Fund:	
G-1	Combining Statement of Net Position	91
G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	92
G-3	Combining Statement of Cash Flows	93
H.	Fiduciary Funds:	
H-1	Combining Statement of Fiduciary Net Position	95
H-2	Combining Statement of Changes in Fiduciary Net Position	96
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	97
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	98

I. Long-Term Debt:

I-1	Schedule of Serial Bonds	100
I-2	Schedule of Obligations under Capital Leases	N/A
I-3	Budgetary Comparison Schedule	101

STATISTICAL SECTION (Unaudited)

J-1	Net Position by Component	103
J-2	Changes in Net Position, Last Ten Fiscal Years	104
J-3	Fund Balances, Governmental Funds, Last Ten Fiscal Years	106
J-4	Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	107
J-5	General Fund - Other Local Revenue by Source, Last Ten Fiscal Years	108
J-6	Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years	109
J-7	Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	110
J-8	Principal Property Tax Payers, Current Year and Nine Years Ago	111
J-9	Property Tax Levies and Collections, Last Ten Fiscal Years	112
J-10	Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	113
J-11	Ratios of Net General Bonded Debt Outstanding, Last Ten Fiscal Years	114
J-12	Ratios of Overlapping Governmental Activities Debt, As of December 31, 2014	115
J-13	Legal Debt Margin Information, Last Ten Fiscal Years	116
J-14	Demographic and Economic Statistics	117
J-15	Principal Employers, Current Year & Nine Years Ago (information not available)	N/A
J-16	Full-time Equivalent District Employees by Function/Program, Last Ten Fiscal Years	118
J-17	Operating Statistics, Last Ten Fiscal Years	119
J-18	School Building Information, Last Ten Fiscal Years	120
J-19	Schedule of Required Maintenance, Last Ten Fiscal Years	121
J-20	Insurance Schedule	122

SINGLE AUDIT SECTION

K-2	Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 04-04 and/or 15-08	124
K-3	Schedule of Expenditures of Federal Awards, Schedule A	127
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	128
K-5	Notes to the Schedules of Awards and Financial Assistance	129
K-6	Schedule of Findings and Questioned Costs	131
K-7	Summary Schedule of Prior Audit Findings	135

Introductory Section



Collingswood Public Schools

It's Where You Want to Learn

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



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

BETH ANN COLEMAN
Business Administrator/Board Secretary

November 27, 2015

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, 2015, 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 04-04, "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, English as a Second Language for limited English speakers and special education for disabled youngsters. The District completed the 2014-2015 fiscal year with an

enrollment of 1,864 students, which is 21 students less 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>
2010-2011	1,860	-2.4%
2011-2012	1,857	-0.1%
2012-2013	1,853	-0.2%
2013-2014	1,885	1.7%
2014-2015	1,864	-1.1%

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 2014-2015 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

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.

District Goals and Reflections from 2014-15:

- 1 . Successfully implement Stage 1 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.

Reflection- A committee was formed; implementation, training and responsibilities established. Informational packet prepared and rollout plan was devised. By October 1, all 4th and 5th grade classrooms were equipped. By October 15th, all 6th and 9th graders were equipped. Teacher training was launched in the summer of 2014. "Tech Tuesday" was launched for weekly updates. Staff launched #Talkingtech 2015.

2. Encourage the Business Administrator to actively "market" 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.

Reflection- One of the most important lessons we learned this year was which shared service agreements proved beneficial versus those which "cost more" in terms of dollars and cents, aggravation, and frustration than they were worth. "As-needed" shared services, using our existing staff continues to prove the most cost-effective, yielding the greatest benefit. We have also found that in the case where we "oversee" the district (Oaklyn), shared services are easier to manage.

3. Design a clear set of expectations for district literacy coaches, including a schedule of activities that includes opportunities for both teacher training and classroom modeling. Coaches will provide evidence of work and "progress" with both new and veteran staff.

Reflection- Coaches meet regularly with school administrators. The coaches also participate in coaching cycles where they work with a limited number of teachers over extended work periods to introduce, practice, and master skills; develop assessments that require students to use and synthesize multiple sources and develop rubrics to assist in scoring student work. The coaching cycles allow the coach to move into more complex strategies rather than short-cycle, one shot professional development that often does not result in instructional change or improvement.

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, 2015.

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 04-04. 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

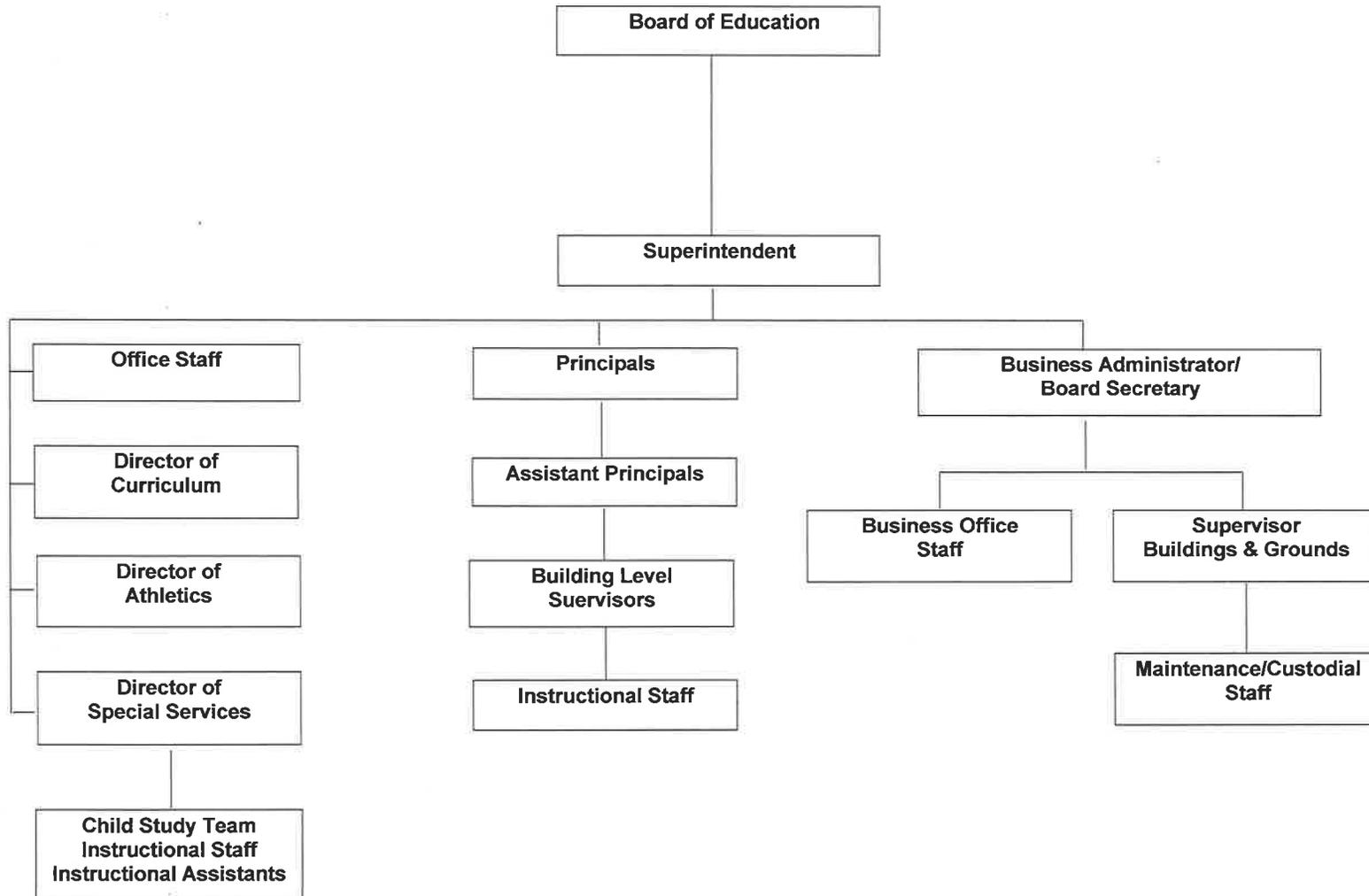


Beth Ann Coleman
Board Secretary/Business Administrator

SAO/BAC:ch

COLLINGSWOOD BOARD OF EDUCATION

Organizational Chart



COLLINGSWOOD SCHOOL DISTRICT

Roster of Officials June 30, 2015

Members of the Board of Education:

Term Expires

James Hatzell, President	2015
David N. Routzahn, Vice President	2016
Timothy Farrow	2016
Madalyn Deets	2017
Fiona Henry	2017
Robert Lewandowski	2017
Kathleen McCarthy	2015
Terry Moody	2015
Stephen Rydzewski	2016

Members of the Board of Education - Sending Districts:

William Stauts, Oaklyn	2016
Heidemarie Wood, Woodlynne	2017

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
1400 F. Commerce Parkway
Mount Laurel, NJ 008054

Official Depository

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

Financial Section

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: iscpas@concentric.net

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Collingswood School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2015, 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, 2015, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 9 to the financial statements, during the fiscal year ended June 30, 2015, the School District adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB): Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. My opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison 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 Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey OMB's Circular 04-04 and/or 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.

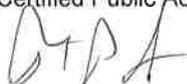
The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated November 27, 2015 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
November 27, 2015

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
 Marlton, New Jersey 08053
 (856) 983-2244
 Fax (856) 983-6674
 E-Mail: iscpas@concentric.net

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

**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, 2015, 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 November 27, 2015.

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
November 27, 2015

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, 2015**

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, 2015. 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 \$9,134,766 (*net assets*) due to the adoption and presentation of GASB 68.
- Governmental activities have an unrestricted net assets deficit of \$9,477,392. 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 decreased by \$33,943,026 or a 136% 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 \$945,281 resulting in an ending fund balance of \$5,184,645. This decrease was primarily due to a decrease in miscellaneous revenues received and increasing expenditures.
- Business-type activities have unrestricted net assets of \$127,500 which may be used to meet the School District's ongoing obligations of the food service operations.
- The School District's long-term obligations decreased by \$735,000 which is the net result of the required payment on long-term obligations.

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 2015. 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 2015.

The assets of the primary government activities did not exceed liabilities by \$9,413,024 with an unrestricted deficit balance of \$9,477,392. 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 net investment of (\$5,499,663) in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 1864 public school students, represents 59% of the School District's deficit net assets. Net assets of \$5,564,031 have been restricted as follows:

Reserved for future budget appropriation	\$2,017,432
Reserved for encumbrances	\$ 78,818
Designated for subsequent budget	\$2,404,289
Capital reserve	\$ 813,471
Maintenance	\$ 250,000
Internal Service Fund	\$ 20
Debt Service Fund	\$ 1

**Collingswood School District
Comparative Summary of Net Assets
As of June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		District-Wide	
	2015	2014	2015	2014	2015	2014
Assets:						
Current assets	\$ 5,566,525	\$ 6,491,559	\$ 129,189	\$ 148,374	\$ 5,695,714	\$ 6,639,933
Capital assets	<u>9,150,337</u>	<u>34,161,461</u>	<u>150,758</u>	<u>50,241</u>	<u>9,301,095</u>	<u>34,211,702</u>
Total assets	<u>14,716,862</u>	<u>40,653,020</u>	<u>279,947</u>	<u>198,615</u>	<u>14,996,809</u>	<u>40,851,635</u>
Deferred Outflows of Resources pension	<u>1,353,342</u>	210,824			<u>1,353,342</u>	210,824
Defeasance Loss	<u>197,647</u>				<u>197,647</u>	
Current Liabilities	1,160,178	1,142,415	1,689	1,316	1,161,867	1,143,731
Noncurrent Liabilities	<u>23,957,660</u>	<u>15,110,468</u>			<u>23,957,660</u>	<u>15,110,468</u>
Total liabilities	<u>25,117,838</u>	<u>16,252,883</u>	<u>1,689</u>	<u>1,316</u>	<u>25,119,527</u>	<u>16,254,199</u>
Deferred Inflows	<u>563,037</u>				<u>563,037</u>	
Net assets	<u>\$ (9,413,04)</u>	<u>\$ 24,610,961</u>	<u>\$ 278,258</u>	<u>\$ 197,299</u>	<u>\$ (9,134,766)</u>	<u>\$ 24,808,260</u>
Net assets consist of:						
Invested in capital						
Assets	\$ (5,499,663)	\$ 18,776,461	\$ 150,758	\$ 50,241	\$ (5,348,905)	\$ 18,826,702
Restricted net assets	5,564,031	6,485,382			5,564,031	6,485,382
Unrestricted net assets	<u>(9,477,392)</u>	<u>(650,882)</u>	<u>127,500</u>	<u>147,058</u>	<u>(9,349,892)</u>	<u>(503,824)</u>
Net assets	<u>\$ (9,413,024)</u>	<u>\$ 24,610,961</u>	<u>\$ 278,258</u>	<u>\$ 197,299</u>	<u>\$ (9,134,766)</u>	<u>\$ 24,808,260</u>

Governmental Activities

Governmental activities decreased the net assets of the School District by \$33,994,080 during the current fiscal year. The decrease in net assets for governmental activities is due to the following:

- Revaluation of fixed assets
- Adoption and presentation of GASB 68

Business-type Activities

Business-type activities increased the School District's net assets by \$80,959. Key elements of the increase 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, 2015 and 2014

	Governmental Activities		Business-Type Activities		District-Wide	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues						
Charges for services	\$ 4,883,512	4,413,861	191,449	233,058	5,074,961	4,646,919
Operating grants and Contributions	\$ 4,219,019	3,683,273	371,489	362,920	4,590,508	4,046,193
Capital grants and Contributions						
General Revenues:						
Property Taxes	\$ 15,395,912	15,149,791			15,395,912	15,149,791
Unrestricted State Aid	\$ 10,529,933	10,748,202			10,529,933	10,748,202
Restricted State Aid	\$					
Tuition	\$					
Other Revenues	\$ 263,742	500,517	133	254	263,875	500,771
Total Revenues	<u>35,292,118</u>	<u>34,495,644</u>	<u>563,071</u>	<u>596,232</u>	<u>35,855,189</u>	<u>35,091,876</u>
Expenses:						
Governmental Activities:						
Instruction	\$ 15,486,405	15,042,171			15,486,405	15,042,171
Tuition	\$ 445,406	609,232			445,406	609,232
Related Services	\$ 3,648,677	3,414,395			3,648,677	3,414,395
Administrative Services	\$ 2,284,063	2,398,590			2,284,063	2,398,590
Operations and Maintenance	\$ 4,250,723	4,427,653			4,250,723	4,427,653
Transportation	\$ 536,512	469,426			536,512	469,426
Unallocated benefits	\$ 9,002,475	8,104,380			9,002,475	8,104,380
Special Schools(charter)	\$ 137,896	109,557			137,896	109,557
Interest on long-term Debt	\$ 560,100	576,497			560,100	576,497
Other	\$ 34,232	41,232			34,232	41,232
Expense of bond refund						
Business-Type Activities:						
Food Service Operations	\$		622,785	665,433	622,785	665,433
Total Expenses	<u>36,386,489</u>	<u>35,193,131</u>	<u>622,785</u>	<u>665,433</u>	<u>37,009,274</u>	<u>35,858,564</u>
Increase (decrease) in net assets						
Before transfers	\$ (1,094,371)	(697,487)	(59,714)	(69,201)	(1,154,085)	(766,688)
Transfers	\$ (22,712)	(52,991)	22,712	52,991		
Changes in net assets	<u>(1,117,083)</u>	<u>(750,478)</u>	<u>(37,002)</u>	<u>(16,210)</u>	<u>(1,154,085)</u>	<u>(766,688)</u>
Net assets, July 1,	\$ (8,295,941)	25,361,439	315,260	21,3509	(7,980,681)	25,574,948
Net assets, restated June 30, (note 21)	<u>\$ (9,413,024)</u>	<u>\$ 24,610,961</u>	<u>\$ 278,258</u>	<u>\$ 197,299</u>	<u>\$ (9,134,766)</u>	<u>\$ 24,808,260</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 \$5,184,645 a decrease of \$945,281 in comparison with the prior year. The decrease is due to decreased miscellaneous 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 \$379,366. 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 \$813,471, (2) maintenance reserve \$250,000 (3) appropriated as a revenue source in the subsequent year's budget \$2,404,289 (4) reserved for encumbrances \$78,818 (5) reserved for future budget appropriation in accordance with state statute \$2,017,432.

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 \$606,970, while total fund balance (budgetary basis) was \$6,170,980. 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 \$33,447,867. Unreserved fund balance (budgetary basis) represents 2% of expenditures while total fund balance (budgetary basis) represents 18% 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, 2015, totaled \$9,301,095 (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 \$657,591 or 7%. The decrease is due to an increase in accumulated depreciation.

**Collingswood School District
Capital Asset (net of accumulated depreciation)
June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		District-Wide	
	2015	2014	2015	2014	2015	2014
Land	\$ 390,040	390,040			\$ 390,040	390,040
Construction in Progress						
Site Improvements	406,614	165,625			406,614	165,625
Buildings and Building Improvements	7,219,983	34,534,580			7,219,983	34,534,580
Equipment	988,812	(843,447)	\$ 150,758	50,241	1,139,570	(793,206)
Vehicles	144,888	(85,337)			144,888	(85,337)
Net assets	\$ 9,150,337	34,161,461	\$ 150,758	50,241	\$ 9,301,095	34,211,702

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 \$14,650,000 in serial bonds payable and \$594,872 in compensated absences.

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 \$42,617,720 with a remaining borrowing capacity of \$27,232,720.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7 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 2015-2016 fiscal year.

- In preparing the 2015-2016 budget the Board of Education was determined to offer a lean and efficient budget while meeting the needs of our community. The 2015-2016 budget provides services to our taxpayers while keeping within the tax limit prescribed by law- 2%.
- 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

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

COLLINGSWOOD SCHOOL DISTRICT
Statement of Net Position
June 30, 2015

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 4,039,663	\$ 39,672	\$ 4,079,335
Restricted cash and cash equivalents	813,471		813,471
Receivables, net	736,103	54,520	790,623
Internal balances	(22,712)	22,712	
Inventory		12,285	12,285
Capital assets, net (Note 5)	9,150,337	150,758	9,301,095
Total Assets	<u>14,716,862</u>	<u>279,947</u>	<u>14,996,809</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	1,353,342		1,353,342
Defeasance loss	197,647		197,647
Total deferred outflows of resources	<u>1,550,989</u>	<u>-</u>	<u>1,550,989</u>
LIABILITIES:			
Payable to state government	20,975		20,975
Unearned revenue	50,022	1,689	51,711
Accounts payable	299,746		299,746
Deposits payable	11,117		11,117
Accrued interest payable	43,318		43,318
Noncurrent liabilities:			
Due within one year	735,000		735,000
Due beyond one year	14,509,872		14,509,872
Net pension liability	9,447,788		9,447,788
Total Liabilities	<u>25,117,838</u>	<u>1,689</u>	<u>25,119,527</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows of resources from pensions	563,037		563,037
NET POSITION:			
Net investment in capital assets	(5,499,663)	150,758	(5,348,905)
Restricted for:			
Debt service	1		1
Capital projects	813,471		813,471
Other purposes	4,750,559		4,750,559
Unrestricted (Deficit)	(9,477,392)	127,500	(9,349,892)
Total Net Position	<u>\$ (9,413,024)</u>	<u>\$ 278,258</u>	<u>\$ (9,134,766)</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, 2015

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	\$ 10,881,367	\$ 4,883,512	\$ 391,379	\$ -	\$ (5,606,476)	\$ -	\$ (5,606,476)
Special Education	3,022,304		533,828		(2,488,476)		(2,488,476)
Other instruction	1,582,734				(1,582,734)		(1,582,734)
Support Services:							
Tuition	445,406				(445,406)		(445,406)
Student & instruction related services	3,648,677		194,447		(3,454,230)		(3,454,230)
General administrative services	649,578				(649,578)		(649,578)
School administrative services	1,250,810				(1,250,810)		(1,250,810)
Central administrative services	383,675				(383,675)		(383,675)
Plant operations and maintenance	4,250,723				(4,250,723)		(4,250,723)
Pupil transportation	536,512				(536,512)		(536,512)
Unallocated employee benefits	9,002,475		3,099,365		(5,903,110)		(5,903,110)
Special schools	6,198				(6,198)		(6,198)
Transfer to charter schools	131,698				(131,698)		(131,698)
Interest on long-term debt	560,100				(560,100)		(560,100)
Unallocated	34,232				(34,232)		(34,232)
Total Governmental Activities	<u>36,386,489</u>	<u>4,883,512</u>	<u>4,219,019</u>	<u>-</u>	<u>(27,283,958)</u>	<u>-</u>	<u>(27,283,958)</u>
Business-Type Activities:							
Food Service	622,785	191,449	371,489			(59,847)	(59,847)
Total Business-Type Activities	<u>622,785</u>	<u>191,449</u>	<u>371,489</u>	<u>-</u>	<u>-</u>	<u>(59,847)</u>	<u>(59,847)</u>
Total Primary Government	<u>\$ 37,009,274</u>	<u>\$ 5,074,961</u>	<u>\$ 4,590,508</u>	<u>\$ -</u>	<u>(27,283,958)</u>	<u>(59,847)</u>	<u>(27,343,805)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes, net					14,131,278		14,131,278
Taxes levied for debt service					1,264,634		1,264,634
Federal and State aid not restricted					10,529,933		10,529,933
Investment Earnings					1,761	133	1,894
Miscellaneous Income					261,981		261,981
Contributing Capital							
Transfers					(22,712)	22,712	
Total general revenues, special items, extraordinary items and transfers					<u>26,166,875</u>	<u>22,845</u>	<u>26,189,720</u>
Change in Net Position					<u>(1,117,083)</u>	<u>(37,002)</u>	<u>(1,154,085)</u>
Net Position – July 1, 2014, as restated (Note 21)					<u>(8,295,941)</u>	<u>315,260</u>	<u>(7,980,681)</u>
Net Position – June 30, 2015					<u>\$ (9,413,024)</u>	<u>\$ 278,258</u>	<u>\$ (9,134,766)</u>

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

Fund Financial Statements

COLLINGSWOOD SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2015

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 3,879,067	\$ -	\$ -	\$ 1	\$ 3,879,068
Receivables, net:					
State aid	78,297				78,297
Federal	24,329	245,678			270,007
Other governmental units	373,367	6,074			379,441
Interfund	303,724				303,724
Restricted assets:					
Cash and cash equivalents	813,471				813,471
Total Assets	\$ 5,472,255	\$ 251,752	\$ -	\$ 1	\$ 5,724,008
LIABILITIES AND FUND BALANCES					
Liabilities:					
Intergovernmental payable - State		20,975			20,975
Interfund payable	22,712	136,096			158,808
Accounts payable	204,568	93,873			298,441
Deposits payable	11,117				11,117
Unearned revenues	49,214	808			50,022
Total Liabilities	287,611	251,752			539,363
Fund Balances:					
Restricted for:					
Capital reserve	813,471				813,471
Maintenance reserve	250,000				250,000
Excess surplus	2,017,432				2,017,432
Excess surplus - designated for subsequent year's expenditures	2,376,577				2,376,577
Assigned to:					
Year-end encumbrances	78,818				78,818
ARRA/SEMI - designated for subsequent year's budget	27,712				27,712
Unassigned	(379,366)			1	(379,365)
Total Fund Balances	5,184,644			1	5,184,645
Total Liabilities and Fund Balances	\$ 5,472,255	\$ 251,752	\$ -	\$ 1	

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 \$32,216,936 and the accumulated depreciation is \$ 23,066,599. 9,150,337

The difference between the reacquisition price and the net carrying value of old debt (bonds payable) are reported as a deferred outflow of resources. 197,647

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. 20

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

Deferred Outflows of resources from Pensions	1,353,342	
Net Pension Liability	(9,447,788)	
Deferred Inflows of resources from Pensions	(563,037)	(8,657,483)

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	\$ (14,650,000)	
Accrued Interest Payable	(43,318)	
Compensated Absences Payable	(594,872)	(15,288,190)

Net Position of Governmental Activities \$ (9,413,024)

COLLINGSWOOD SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	\$ 14,131,278	\$ -	\$ -	\$ 1,264,634	\$ 15,395,912
Tuition charges	4,883,512				4,883,512
Interest earned	1,761				1,761
Miscellaneous	257,100	4,881			261,981
Total local sources	19,273,651	4,881		1,264,634	20,543,166
State sources	13,500,694	137,883	(71,604)		13,566,973
Federal sources	174,134	1,007,845			1,181,979
Total Revenues	32,948,479	1,150,609	(71,604)	1,264,634	35,292,118
EXPENDITURES:					
Current expense:					
Regular instruction	9,846,438	421,284			10,267,722
Special education instruction	2,488,476	533,828			3,022,304
Other instruction	1,582,734				1,582,734
Support services and undistributed costs:					
Tuition	445,406				445,406
Student & instruction related services	3,454,230	194,447			3,648,677
General administrative services	581,115				581,115
School administrative services	1,250,810				1,250,810
Central administrative services	383,675				383,675
Plant operations and maintenance	3,235,748				3,235,748
Pupil transportation	536,512				536,512
Unallocated employee benefits	8,880,918				8,880,918
Capital outlay	623,909	1,050	331,823		956,782
Special schools	6,198				6,198
Transfer to charter schools	131,698				131,698
Redemption of principal				735,000	735,000
Interest				549,388	549,388
Total Expenditures	33,447,867	1,150,609	331,823	1,284,388	36,214,687
Excess (deficiency) of revenues over (under) expenditures	(499,388)	-	(403,427)	(19,754)	(922,569)
Other Financing Sources (Uses):					
Transfers in	107,406				107,406
Transfers out	(22,712)		(107,406)		(130,118)
Total other financing sources (uses)	84,694		(107,406)	-	(22,712)
Net change in fund balance	(414,694)	-	(510,833)	(19,754)	(945,281)
Fund balance - July 1, 2014	5,599,338	-	510,833	19,755	6,129,926
Fund balance - June 30, 2015	\$ 5,184,644	\$ -	\$ -	\$ 1	\$ 5,184,645

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, 2015

Total net change in fund balances - governmental funds (from B-2)		\$ (945,281)
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	\$ (684,629)	
Fixed assets additions	<u>44,481</u>	(640,148)
<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>		
		735,000
<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>		
		(13,177)
<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>		
		2,464
<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>		
		(121,557)
<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>(134,404)</u>
Change in Net Position of Governmental Activities		<u>\$ (1,117,083)</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, 2015

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Food Service	Maintenance Services
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 39,672	\$ 160,595
Intergovernmental receivables:		
State Aid	527	
Federal Aid	20,201	
Other	33,792	8,358
Interfund receivable	22,712	
Inventories	12,285	
	129,189	168,953
Total current assets		
Noncurrent Assets:		
Equipment	275,456	
Less - accumulated depreciation	(124,698)	
	150,758	
Total Noncurrent Assets		
Total Assets	279,947	168,953
LIABILITIES:		
Current liabilities:		
Interfund payable		167,628
Accounts payable		1,305
Unearned revenue	1,689	
	1,689	168,933
Total Liabilities		
NET POSITION:		
Net investment in capital assets	150,758	
Reserve for encumbrances		20
Unrestricted	127,500	
	278,258	20
Total Net Position	\$ 278,258	\$ 20

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, 2015

	Business-Type Activities Enterprise Funds Food Service	Governmental Activities Internal Service Funds Maintenance Funds
Operating Revenues:		
Charges for services:		
Daily sales - reimbursable programs	\$ 103,048	\$ -
Daily sales - non-reimbursable programs	86,402	
Maintenance services		576,862
Miscellaneous		
Special functions	1,999	
Total Operating Revenues	191,449	576,862
Operating Expenses:		
Cost of sales	253,739	
Salaries	290,252	
Supplies	38,697	
Other costs	22,654	576,842
Depreciation	17,443	
Total Operating Expenses	622,785	576,842
Operating Income (Loss)	(431,336)	20
Nonoperating Revenues (Expenses):		
State sources:		
State school lunch program	6,201	
Federal sources:		
National school lunch program	260,784	
National school breakfast program	67,282	
Food distribution program	37,222	
Interest on investments	133	
Board contribution	22,712	
Contributing Capital		
Total Nonoperating Revenues (Expenses)	394,334	
Change in Net Position	(37,002)	20
Restatement of Net Position - July 1, 2014	315,260	
Net Position - June 30, 2015	\$ 278,258	\$ 20

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, 2015

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Food Service	Maintenance Funds
Cash Flows from Operating Activities:		
Cash receipts from customers	\$ 190,945	\$ 605,192
Cash receipts from vendor	23,283	
Cash payments to employees for services	(290,252)	(575,537)
Cash payments to suppliers for goods and services	(346,294)	
	<u>(422,318)</u>	<u>29,655</u>
Net cash used by operating activities		
Cash Flows from Noncapital Financing Activities:		
Cash received from state sources	6,402	
Cash received from federal sources	361,722	
Operating transfer in/out	52,992	
	<u>421,116</u>	
Net cash provided by noncapital financing activities		
Cash Flows Used by Capital and Related Financing Activities:		
Purchase of equipment		
Cash Flow Provided by Investing Activities:		
Interest on cash equivalents	133	
	<u>(1,069)</u>	<u>29,655</u>
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents - July 1, 2014	40,741	130,940
Cash and cash equivalents - June 30, 2015	<u>\$ 39,672</u>	<u>\$ 160,595</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (431,336)	\$ 20
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:		
Depreciation	17,443	
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(10,509)	107,131
(Increase) decrease in inventory	1,712	
Increase (decrease) in interfund payable		(70,209)
Increase (decrease) in unearned revenue	372	
Increase (decrease) in accounts payable		(7,287)
	<u>(422,318)</u>	<u>29,655</u>
Net cash provided by (used for) operating activities		

Noncash Noncapital Financing Activities:

During the year the District received \$37,222 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, 2015

	<u>Trust Funds</u>			
	<u>Unemployment Compensation Trust</u>	<u>Flexible Benefit Trust</u>	<u>Private Purpose Scholarship Fund</u>	<u>Agency Funds</u>
ASSETS:				
Cash and cash equivalents	\$ 796,541	\$ 7,584	\$ 198,609	\$ 317,450
 Total Assets	 <u>796,541</u>	 <u>7,584</u>	 <u>198,609</u>	 <u>\$ 317,450</u>
 LIABILITIES:				
Payroll deductions and withholdings				\$ 146,799
Accounts payable	\$ 6,240			
Due to student groups				<u>170,651</u>
 Total Liabilities	 <u>6,240</u>	 <u></u>	 <u></u>	 <u>\$ 317,450</u>
 NET POSITION:				
Held in trust for unemployment claims and other purposes	 <u>\$ 790,301</u>			
 Held in trust for claims		 <u>\$ 7,584</u>		
 Reserved for scholarships			 <u>\$ 198,609</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, 2015

	<u>Unemployment Compensation Trust</u>	<u>Flexible Benefit Trust</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS:			
Contributions:			
Employee	\$ 33,150	\$ 24,500	\$ -
Donations			40,004
Total Contributions	<u>33,150</u>	<u>24,500</u>	<u>40,004</u>
Interest earned on investments	<u>2,416</u>	<u>22</u>	
Total Additions	<u>35,566</u>	<u>24,522</u>	<u>40,004</u>
DEDUCTIONS:			
Claims paid	38,411	22,446	
Scholarships awarded			43,568
Total Deductions	<u>38,411</u>	<u>22,446</u>	<u>43,568</u>
Change in Net Position	(2,845)	2,076	(3,564)
Net Position - July 1, 2014	<u>793,146</u>	<u>5,508</u>	<u>202,173</u>
Net Position - June 30, 2015	<u>\$ 790,301</u>	<u>\$ 7,584</u>	<u>\$ 198,609</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, 2015

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, 2015 of 1,867 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, 2015

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, 2015

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, 2015

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, 2015

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, 2015 and 2014 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, 2015.

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, 2015**

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, 2015

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, 2015.

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, 2015

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 February 2015, the GASB issued Statement 72, Fair Value Measurement and Application. The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. This Statement is effective for financial statements for periods beginning after June 15, 2015 and will not have any effect on the District's financial reporting.

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.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued) - 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.

In June 2016, the GASB issued Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature.

As a result, governments will apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement is effective for financial statements for periods beginning after June 15, 2015 and will not have any effect on the District's financial reporting.

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 \$6,576,023 as of June 30, 2015, \$359,580 was insured under FDIC and the remaining balance of \$6,216,443 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.

The activity of the capital reserve for the July 1, 2014 to June 30, 2015 fiscal year is as follows:

Balance July 1, 2014		\$	704,304
Increased by:			
Interest Earned	\$		1,761
Transfer from Capital Projects Fund	<u>107,406</u>		<u>109,167</u>
Balance June 30, 2015		<u>\$</u>	<u>813,471</u>

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

3. CAPITAL RESERVE ACCOUNT (Continued)

The June 30, 2015 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects.

4. ACCOUNTS RECEIVABLES

Accounts receivables at June 30, 2015 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, 2015 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Capital Projects	Enterprise Fund	Internal Service Fund	Total
Intergovernmental						
State	\$ 78,297	\$ -	\$ -	\$ 527	\$ -	\$ 78,824
Federal	24,329	245,678		20,201		290,208
Other	373,367	6,074		33,792	8,358	421,591
Total	\$ 475,993	\$ 251,752	\$ -	\$ 54,520	\$ 8,358	\$ 790,623

5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	Restated Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Governmental Activities:				
Land	\$ 390,040	\$ -	\$ -	\$ 390,040
Total Capital Assets not being				
Depreciation	390,040			390,040
Land Improvements	1,319,985			1,319,985
Building and Improvements	24,336,469			24,336,469
Vehicles	280,922	44,481		325,403
Equipment	5,845,039			5,845,039
Total Historical Cost	32,172,455	44,481	-	32,216,936
Less Accumulated Depreciation:				
Land Improvements	(870,642)	(42,729)		(913,371)
Building and Improvements	(16,711,187)	(405,299)		(17,116,486)
Vehicles	(164,095)	(16,420)		(180,515)
Equipment	(4,636,046)	(220,181)		(4,856,227)
Total Accumulated Depreciation	(22,381,970)	(684,629)	-	(23,066,599)
Governmental Activities Capital Assets, Net	\$ 9,790,485	\$ (640,148)	\$ -	\$ 9,150,337
Business-Type Activities:				
Equipment	275,456			275,456
Less - Accumulated Depreciation	(107,255)	(17,443)		(124,698)
Business-Type Activities Capital Assets, Net	\$ 168,201	\$ (17,443)	\$ -	\$ 150,758

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

5. CAPITAL ASSETS (Continued)

Depreciation expense in the amount of \$684,629 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 479,240
General Administration	68,463
Plant operations and maintenance	102,694
Unallocated	34,232
	<hr/>
Total depreciation expense	<u>\$ 684,629</u>

6. INVENTORY

Inventory in the food service fund at June 30, 2015 consisted of the following:

Food	\$ 9,770
Supplies	<u>2,515</u>
	<hr/>
	<u>\$ 12,285</u>

7. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2015, the following changes occurred in long-term obligations:

	<u>Principal Outstanding June 30, 2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2015</u>	<u>Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 460,468	\$ 134,404	\$ -	\$ 594,872	\$ -
General Obligation Bonds	<u>15,385,000</u>		<u>735,000</u>	<u>14,650,000</u>	<u>735,000</u>
	<hr/>				
	<u>\$ 15,845,468</u>	<u>\$ 134,404</u>	<u>\$ 735,000</u>	<u>\$ 15,244,872</u>	<u>\$ 735,000</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 \$14,650,000 due in annual installments through June 1, 2030, bearing interest rates of 2.50 % to 5.00%.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

7. LONG-TERM OBLIGATIONS (Continued)

Bonds Payable (Continued)

As of June 30, 2015, 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>
2016	\$ 760,000	\$ 519,813	\$ 1,279,813
2017	775,000	497,012	1,272,012
2018	820,000	473,763	1,293,763
2019	840,000	449,163	1,289,163
2020	860,000	415,563	1,275,563
2021-2025	4,855,000	1,524,112	6,379,112
2026-2030	<u>5,740,000</u>	<u>477,312</u>	<u>6,217,312</u>
	<u>\$ 14,650,000</u>	<u>\$ 4,356,738</u>	<u>\$ 19,006,738</u>

As of June 30, 2015 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.

8. OPERATING LEASES

At June 30, 2015, the School District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$46,525 for the fiscal year ended June 30, 2015. The future minimum lease payments for these leases are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2015	\$ 37,945
2016	20,244
2017	8,340
2018	<u>2,085</u>
	<u>\$ 68,614</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.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

9. PENSION PLANS (Continued)

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

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, 2015, the District recognized pension expense of \$4,085,713 and revenue of \$4,085,713 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. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	06/30/14	06/30/13
Collective deferred outflows of resources	\$ 2,306,623,861	\$ -
Collective deferred inflows of resources	1,763,205,593	-
Collective net pension liability (Non-Employer – State of New Jersey)	53,446,745,367	50,539,213,484
State's portion of the net pension liability that was associated with the district	75,929,369	70,967,586
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	.1420654688%	.1404208352%

Actuarial assumptions – The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. 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.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

9. PENSION PLANS (Continued)

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

The actuarial assumptions used in the July 1, 2013 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, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	06.00%	0.50%
Core Fixed Income	00.00%	2.19%
Core Bonds	01.00%	1.38%
Short-Term Bonds	00.00%	1.00%
Intermediate Term Bonds	11.20%	2.60%
Long-Term Bonds	00.00%	3.23%
Mortgages	02.50%	2.84%
High Yield Bonds	05.50%	4.15%
Non US Fixed Income	00.00%	1.41%
Inflation Indexed Bonds	02.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	00.00%	5.62%
Mid Cap US Equities	00.00%	6.39%
Small Cap US Equities	00.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	06.50%	8.90%
Private Equity	08.25%	9.15%
Hedge Funds/Absolute Ret	12.25%	3.85%
Real Estate (Property)	03.20%	4.43%
Real Estate (REITS)	00.00%	5.58%
Commodities	02.50%	3.60%
Long Credit Bonds	00.00%	3.74%

Discount rate. The discount rate used to measure the State's total pension liability was 4.68% and 4.95% as of June 30, 2014 and 2013, respectively. 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 4.29% and 4.63% as of June 30, 2014 and 2013, 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.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

9. PENSION PLANS (Continued)

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>
2015	\$ 69,254	-	\$ 320,356	\$ 26,388	\$ 415,998
2014	103,599	(39,767)	280,646	5,858	350,336
2013	101,876		243,587	20,561	366,024

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.

For the year ended June 30, 2015, the District recognized pension expense of \$490,470. At June 30, 2015, the District reported a liability of \$9,447,788 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	297,089	
Net difference between projected and actual earnings on pension plan investments		563,037
Change in proportion and differences between District contributions and proportionate share of contributions	640,255	
District contributions subsequent to the measurement Date	415,998	
Total	\$ 1,353,342	\$ 563,037

\$415,998 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, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net liability in the year ended June 30, 2015.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

For the year ended:	Net Deferred Outflow of Resources:
2016	\$ 58,122
2017	58,122
2018	58,122
2019	58,122
2020	58,122
2021	58,122
2022	25,575
Total	\$ 374,307

Additional Information

Collective balances at June 30, 2014 and 2013 are as follows:

	6/30/2014	6/30/2013
Collective deferred outflows of resources	\$ 952,194,675	\$ (1)
Collective deferred inflows of resources	\$ 1,479,224,662	\$ (1)
Collective net pension liability	\$ 18,722,735,003	\$ 19,111,986,911
District's Proportion	.0504615815%	.0464957527%

(1) -- Information not available.

Actuarial assumptions – The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

- Inflation rate: 3.01%
- 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) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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 PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	06.00%	00.80%
Core Bonds	01.00%	02.49%
Intermediate Term Bonds	11.20%	02.26%
Mortgages	02.50%	02.17%
High Yield Bonds	05.50%	04.82%
Inflation Indexed Bonds	02.50%	03.51%
Broad US Equities	25.90%	08.22%
Developed Foreign Equities	12.70%	08.12%
Emerging Market Equities	06.50%	09.91%
Private Equity	08.25%	13.02%
Hedge Funds/Absolute Ret	12.25%	04.92%
Real Estate (Property)	03.20%	05.80%
Commodities	02.50%	05.35%

Discount rate. The discount rate used to measure the State's total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. 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 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the 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, 2014, calculated using the discount rate of 5/39%, 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 (4.39%) or 1 percentage point higher (6.39%) than the current rate:

	<u>1% Decrease (4.39%)</u>	<u>Current Discount Rate (5.39%)</u>	<u>1% Increase (6.39%)</u>
District's proportionate share of the net pension liability	\$ 11,885,639	\$ 9,447,788	\$ 7,400,614

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

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

9. PENSION PLANS (Continued)

Defined Contribution Retirement Program (DCRP)

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

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

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

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Employer Contribution</u>
2015	\$ 9,458	\$ 9,458
2014	32,934	11,624
2013	9,665	9,665

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, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 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 \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

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, 2015 was \$1,224,946 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.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2015, the School District has recognized as revenues and expenditures \$771,620 of on-behalf payments made by the State of New Jersey for normal retirement costs related to TPAF and \$1,102,799 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

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>
2015	\$ 2,416	\$ 33,150	\$ 38,411	\$ 790,301
2014	2,677	62,451	15,441	793,146
2013	5,161	22,000		743,459

13. DEFERRED COMPENSATION

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

14. COMPENSATED ABSENCES

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

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

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

14. COMPENSATED ABSENCES (Continued)

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2015, the liability for compensated absences in the governmental activities fund type was \$594,872.

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, 2015:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 303,724	\$ 22,712
Special Revenue		136,096
Proprietary	<u>22,712</u>	<u>167,628</u>
	<u>\$ 326,436</u>	<u>\$ 326,436</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, 2015, 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>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015	\$ 22	\$ 24,500	\$ 22,446	\$ 7,584
2014	24	25,500	26,224	5,508
2013	25	3,000	1,975	6,208

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

18. DEFICIT UNASSIGNED FUND BALANCE

The School District has a deficit unassigned fund balance of \$379,366 in the General Fund as of June 30, 2015 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable

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

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$355,456 is equal to or less than the June state aid payment.

19. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2015, a deficit of \$9,477,392 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, 2015:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds)	
Unassigned	\$ (379,366)
Add - Deferred Outflow of Resources	197,647
Liabilities:	
Accrued Interest Payable	(43,318)
Net Pension Differences	(8,657,483)
Compensated Absences	(594,872)
Unrestricted Net Assets (Deficit)	<u><u>\$ (9,477,392)</u></u>

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, 2015 is \$2,017,432 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$2,376,577 of excess fund balance generated during the 2013-2014 fiscal year has been restricted and designated for utilization in the 2015-2016 budget.

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

20. FUND BALANCES (Continued)

Capital Reserve – As of June 30, 2015, the balance in the capital reserve account is \$813,471. 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, 2015, 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).

Debt Service Fund:

As of June 30, 2015, the fund balance amount was \$1, which is restricted for future debt service expenditures.

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, 2015 the School District has \$78,818 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

ARRA/SEMI – At June 30, 2015, the School District has \$27,712 of ARRA/SEMI revenue unreserved 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, 2015, the unassigned fund balance of the general fund was a deficit of \$379,366. 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).

21. RESTATEMENT OF NET POSITION

Governmental Activities

As a result of adjusting accumulated depreciation and the implementation of GASB 68 in the Governmental Funds, net position as of June 30, 2014 has been restated as follows:

Net Position as of June 30, 2014, as previously reported	\$ 24,610,961
Prior Period Adjustment – Implementation of GASB 68:	
Net Pension Liability	(8,886,262)
Deferred Outflows – District's Contribution made during Fiscal year 2014	350,336
Inventory Adjustment to Fixed Assets	<u>(24,370,976)</u>
Net Position as Restated, July 1, 2014	<u>\$ (8,295,941)</u>

**Collingswood School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2015**

21. RESTATEMENT OF NET POSITION (Continued)

Business-type Activities

As a result of an inventory adjustment in the Food Service Fund, net position as of June 30, 2014 has been restated as follows:

Net Position as of June 30, 2014, as previously reported	\$	197,299
Inventory Adjustment to Fixed Assets		<u>117,961</u>
Net Position as Restated, July 1, 2014	\$	<u>315,260</u>

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, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local Tax Levy	\$ 14,131,278	\$ -	\$ 14,131,278	\$ 14,131,278	\$ -
Tuition - From Other LEA's	4,597,405	-	4,597,405	4,775,074	177,669
Tuition - From Individuals	81,000	-	81,000	108,438	27,438
Interest earned on capital reserve funds	3,000	-	3,000	1,761	(1,239)
Unrestricted misc. revenues	227,365	-	227,365	257,100	29,735
Total local sources	19,040,048	-	19,040,048	19,273,651	233,603
State sources:					
School choice aid	123,539	-	123,539	123,539	-
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	40,000	-	40,000	24,049	(15,951)
PARCC Readiness Aid	16,010	-	16,010	16,010	-
Per Pupil Growth Aid	16,010	-	16,010	16,010	-
On-behalf TPAF pension contri. (non-budgeted)	-	-	-	771,620	771,620
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	1,224,946	1,224,946
Reimbursed TPAF social security contribution (non-budgeted)	-	-	-	1,102,799	1,102,799
Total state sources	10,430,692	-	10,430,692	13,514,106	3,083,414
Federal sources:					
Medicaid reimbursement- ARRA/SEMI	-	-	-	27,712	27,712
Medicaid reimbursement	34,154	-	34,154	146,422	112,268
Total federal sources	34,154	-	34,154	174,134	139,980
TOTAL REVENUES	29,504,894	-	29,504,894	32,961,891	3,456,997
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	121,565	(6,707)	114,858	106,528	8,330
Kindergarten	416,750	50,200	466,950	465,482	1,468
Grades 1-5	2,865,050	21,006	2,886,056	2,877,330	8,726
Grades 6-8	1,985,650	34,363	2,020,013	2,016,442	3,571
Grades 9-12	3,565,674	(77,067)	3,488,607	3,488,099	508
Regular Programs - Home Instruction:					
Salaries of teachers	36,000	(29,200)	6,800	6,799	1
Purchased professional - educ services	18,000	-	18,000	10,750	7,250
Regular Programs - Undistributed Instruction:					
Other salaries for instruction	29,930	(27,490)	2,440	55	2,385
Purchased professional - educ services	8,775	-	8,775	7,518	1,257
Purchased technical services	146,650	(5,000)	141,650	109,917	31,733
Other purchased services	115,375	14,307	129,682	112,264	17,418
General supplies	1,028,463	(304,724)	721,739	632,217	89,522
Textbooks	21,750	-	21,750	8,161	13,589
Other objects	15,040	-	15,040	4,876	10,164
Total - Regular Programs - Instruction	10,372,672	(330,312)	10,042,360	9,846,438	195,922

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, 2015

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education Instruction:					
Behavior Disabilities					
Salaries of teachers	\$ 50,800	\$ (25,000)	\$ 25,800	\$ 25,375	\$ 425
Total behavioral disabilities	50,800	(25,000)	25,800	25,375	425
Multiple Disabilities:					
Salaries of teachers	218,300	(50,815)	167,485	167,485	-
Other salaries for instruction	298,113	(38,543)	259,570	251,548	8,022
Purchased technical services	10,000	-	10,000	9,400	600
General supplies	5,500	(178)	5,322	4,383	939
Textbooks	5,000	-	5,000	3,420	1,580
Total multiple disabilities	536,913	(89,536)	447,377	436,236	11,141
Resource room/resource center:					
Salaries of teachers	1,305,632	8,748	1,314,380	1,314,305	75
Other salaries for instruction	127,379	(28,279)	99,100	99,007	93
Purchased prof. educational services		101,817	101,817	101,817	-
General supplies	15,750	(1,925)	13,825	13,129	696
Textbooks	7,500	-	7,500	3,310	4,190
Total resource room/resource center	1,456,261	80,361	1,536,622	1,531,568	5,054
Autism:					
Salaries of teachers	176,050	(1,475)	174,575	172,950	1,625
Other salaries for instruction	105,271	(9,397)	95,874	94,723	1,151
Total autism	281,321	(10,872)	270,449	267,673	2,776
Preschool Disabilities - Part-Time:					
Salaries of teachers	70,350	376	70,726	70,030	696
Purchased prof. educational services		87,793	87,793	87,793	-
General Supplies	1,500	178	1,678	1,664	14
Other salaries for instruction	50,990	(10,121)	40,869	40,869	-
Total preschool disabilities - part-time	122,840	78,226	201,066	200,356	710
Home Instruction					
Salaries of teachers	36,000	(34,000)	2,000	1,846	154
Purchased prof. educational services	18,000	8,000	26,000	25,422	578
Total home instruction	54,000	(26,000)	28,000	27,268	732
Total Special Education - Instruction	2,502,135	7,179	2,509,314	2,488,476	20,838
Basic Skills/Remedial - Instruction					
Salaries of teachers	774,720	(53,540)	721,180	715,802	5,378
Other purchased services	400	-	400	400	-
General supplies	21,150	-	21,150	13,957	7,193
Total basic skills/remedial - instruction	796,270	(53,540)	742,730	729,759	12,971
Bilingual Education - Instruction					
Salaries of teachers	106,050	27,450	133,500	112,320	21,180
General supplies	7,500	-	7,500	3,876	3,624
Total bilingual education - instruction	113,550	27,450	141,000	116,196	24,804

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, 2015

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Cocurricular Act - Instruction:					
Salaries of teachers	\$ 146,000	\$ 3,324	\$ 149,324	\$ 149,324	\$ -
Purchased services	1,800	-	1,800	1,500	300
Supplies and materials	14,300	(2,099)	12,201	10,814	1,387
Other objects	7,500	5,600	13,100	10,628	2,472
Total school-sponsored cocurr. act. - Instruc.	169,600	6,825	176,425	172,266	4,159
School-Sponsored Athletics - Instruction:					
Salaries of teachers	470,920	(5,649)	465,271	395,718	69,553
Purchased services	102,000	8,619	110,619	108,587	2,032
Supplies and materials	50,000	(1,853)	48,147	48,055	92
Other objects	10,000	-	10,000	9,996	4
Total school-sponsored athletics - instruc.	632,920	1,117	634,037	562,356	71,681
Before/After School Programs - Instruction:					
Salaries of teachers	40,000	(865)	39,135	2,157	36,978
Total school-sponsored athletics - instruc.	40,000	(865)	39,135	2,157	36,978
Total Instruction	14,627,147	(342,146)	14,285,001	13,917,648	367,353
Undistributed Expenditures - Instruction					
Tuition to other LEA's within the state - regular	40,000	12,000	52,000	51,505	495
Tuition to other LEA's within the state - special	35,965	(4,000)	31,965	19,856	12,109
Tuition to county voc. school district - regular	63,336	-	63,336	63,336	-
Tuition to CSSD & reg. day schools	357,000	(50,000)	307,000	175,237	131,763
Tuition to priv. sch. for the disabled in state	186,918	(34,773)	152,145	64,290	87,855
Tuition - state facilities	31,500	-	31,500	-	31,500
Tuition - other	81,675	-	81,675	71,182	10,493
Total undistributed expenditures - instruction	796,394	(76,773)	719,621	445,406	274,215
Attendance and Social Work:					
Salaries	21,685	61	21,746	21,746	-
Total attendance and social work	21,685	61	21,746	21,746	-
Health Services:					
Salaries	372,700	(609)	372,091	347,594	24,497
Purchased professional and tech. services	28,000	-	28,000	27,315	685
Other purchased services	300	-	300	230	70
Supplies and materials	9,872	-	9,872	6,820	3,052
Total health services	410,872	(609)	410,263	381,959	28,304
Speech, OT, PT & Related Services:					
Salaries	262,200	1,919	264,119	254,788	9,331
Purchased professional and educ. services	52,000	-	52,000	12,281	39,719
Supplies and materials	20,000	-	20,000	19,995	5
Total speech, ot, pt, & related services	334,200	1,919	336,119	287,064	49,055

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, 2015

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Support Services Student - Extra:					
Salaries	\$ 128,947	\$ 3,815	\$ 132,762	\$ 120,947	\$ 11,815
Purchased professional - educ. services	165,000	-	165,000	73,143	91,857
Total other support services student - extra	293,947	3,815	297,762	194,090	103,672
Guidance:					
Salaries of other professional staff	431,885	47,108	478,993	460,196	18,797
Salaries of secretarial and clerical assistants	72,870	(108)	72,762	71,925	837
Purchased professional - educ. services	53,011	-	53,011	42,744	10,267
Other purchased prof. and tech. services	28,750	-	28,750	3,962	24,788
Other purchased services	800	-	800	165	635
Supplies and materials	7,500	-	7,500	2,564	4,936
Other objects	1,500	-	1,500	365	1,135
Total guidance	596,316	47,000	643,316	581,921	61,395
Child Study Teams:					
Salaries of other professional staff	615,499	68,713	684,212	678,466	5,746
Salaries of secretarial and clerical assistants	86,840	(22)	86,818	85,840	978
Purchased professional - educ services	55,000	-	55,000	12,993	42,007
Miscellaneous purchased services	15,700	(5,593)	10,107	3,264	6,843
Supplies and materials	18,129	(709)	17,420	15,304	2,116
Total child study teams	791,168	62,389	853,557	795,867	57,690
Improvement of Instructional Services:					
Salaries of supervisor of instruction	433,230	41,209	474,439	474,439	-
Salaries of other professional staff	55,000	(125)	54,875	45,217	9,658
Salaries of secretarial and clerical assistants	12,038	(1)	12,037	11,636	401
Supplies and materials	45,850	(4,000)	41,850	22,921	18,929
Total improvement of instructional services	546,118	37,083	583,201	554,213	28,988
Educational Media Services/School Library:					
Salaries	368,185	(69,362)	298,823	284,813	14,010
Supplies and materials	26,096	214	26,310	23,701	2,609
Total educational media services/school library	394,281	(69,148)	325,133	308,514	16,619
Instructional Staff Training Services:					
Salaries of supervisors of instruction	303,033	(8,459)	294,574	293,764	810
Salaries of secretarial and clerical assistants	12,288	-	12,288	11,392	896
Purchased professional - educ services	2,900	5,400	8,300	4,130	4,170
Other purchased services (400-500 series)	40,450	(1,443)	39,007	19,570	19,437
Total instructional staff training services	358,671	(4,502)	354,169	328,856	25,313

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, 2015

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
General Administration:					
Salaries	\$ 308,987	\$ -	\$ 308,987	\$ 303,455	\$ 5,532
Legal services	40,000	43,130	83,130	78,580	4,550
Audit fees	23,900	6,500	30,400	30,400	-
Other purchased professional services	25,200	(1,630)	23,570	17,512	6,058
Communications / telephone	80,483	(37,535)	42,948	16,997	25,951
BOE other purchased services	1,300	-	1,300	-	1,300
Other purchased services	87,300	47,613	134,913	110,347	24,566
Supplies	3,250	-	3,250	1,875	1,375
Miscellaneous expenditures	8,100	-	8,100	5,115	2,985
BOE membership dues and fees	18,000	-	18,000	16,834	1,166
Total general administration	596,520	58,078	654,598	581,115	73,483
School Administration:					
Salaries of principals/assist. principals	915,718	(81,087)	834,631	830,314	4,317
Salaries of secretarial and clerical assistants	358,395	30,887	389,282	387,028	2,254
Other purchased services	16,650	1,568	18,218	14,156	4,062
Supplies and materials	12,036	(386)	11,650	9,218	2,432
Other objects	12,042	-	12,042	10,094	1,948
Total school administration	1,314,841	(49,018)	1,265,823	1,250,810	15,013
Central Services:					
Salaries	333,348	(2,797)	330,551	328,426	2,125
Purchased professional services	18,500	-	18,500	10,689	7,811
Purchased technical services	30,000	-	30,000	24,416	5,584
Miscellaneous purchased services	1,500	-	1,500	420	1,080
Supplies	10,000	-	10,000	8,528	1,472
Miscellaneous expenditures	3,400	-	3,400	3,076	324
Total central services	396,748	(2,797)	393,951	375,555	18,396
Administrative Inform. Technology:					
Salaries	8,120	-	8,120	8,120	-
Total administrative inform. technology	8,120	-	8,120	8,120	-
Required Maintenance School Facilities:					
Salaries	564,096	705	564,801	564,094	707
Cleaning, repair, and maintenance services	231,610	(12,290)	219,320	203,527	15,793
General supplies	230,456	5,554	236,010	224,863	11,147
Other objects	2,800	-	2,800	2,039	761
Total required maintenance school facilities	1,028,962	(6,031)	1,022,931	994,523	28,408
Custodial Services:					
Salaries	1,142,198	40,841	1,183,039	1,120,918	62,121
Purchased professional and tech. services	26,250	-	26,250	17,329	8,921
Cleaning, repair, and maintenance services	75,750	(385)	75,365	59,059	16,306
Other purchased property services	69,000	10,695	79,695	79,695	-
Insurance	102,500	(12,500)	90,000	88,125	1,875
Miscellaneous purchased services	6,000	-	6,000	5,608	392
General supplies	151,700	(3,750)	147,950	142,960	4,990
Energy (Natural Gas)	80,000	53,286	133,286	133,286	-
Energy (Electricity)	446,000	(11,580)	434,420	434,420	-
Other objects	16,150	(1,782)	14,368	3,010	11,358
Total custodial services	2,115,548	74,825	2,190,373	2,084,410	105,963

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, 2015

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Care and Upkeep of Grounds					
Other objects	\$ -	\$ 4,588	\$ 4,588	\$ 4,506	\$ 82
Total care and upkeep of grounds	-	4,588	4,588	4,506	82
Security:					
Salaries	70,000	20,775	90,775	90,775	-
Purchased professional and tech. services	65,000	-	65,000	61,534	3,466
Total security	135,000	20,775	155,775	152,309	3,466
Total operation & maint. of plant services	3,279,510	94,157	3,373,667	3,235,748	137,919
Student Transportation Services:					
Salaries pupil trans. Other than bet home/school		1,624	1,624	1,624	-
Management fee - ESC trans. program	14,500	1,000	15,500	15,410	90
Contr serv (bet. home and school) - Vendors	22,000	11,876	33,876	33,652	224
Contr. serv. (not bet. home & school) - Vendors	144,734	39,963	184,697	181,107	3,590
Contr. serv. (special ed. students.) - ESC	253,000	51,261	304,261	303,235	1,026
Misc. purchased services - transportation		1,500	1,500	1,484	16
Total student transportation services	434,234	107,224	541,458	536,512	4,946
Unallocated Benefits - Employee Benefits:					
Social security contributions	449,000	-	449,000	409,169	39,831
Other retirement contributions - PERS	458,679	(24,652)	434,027	415,998	18,029
Unemployment compensation	4,000	(700)	3,300		3,300
Workmen's compensation	160,000	(11,000)	149,000	148,432	568
Health benefits	4,663,877	150,324	4,814,201	4,682,734	131,467
Tuition reimbursement	48,500	-	48,500	48,500	-
Other employee benefits	318,429	(52,992)	263,437	76,720	186,717
Total unallocated benefits - employee benefits	6,100,485	60,980	6,161,465	5,781,553	379,912
On-behalf TPAF pension contr. (non-budgeted)				771,620	(771,620)
On-behalf TPAF post retirement medical (non-budgeted)				1,224,946	(1,224,946)
Reimbursed TPAF social security contr. (non-budgeted)				1,102,799	(1,102,799)
Total Undistributed Expenditures	16,674,110	269,859	16,943,969	18,768,414	(1,824,445)
Total General Current Expense	31,301,257	(72,287)	31,228,970	32,686,062	(1,457,092)
CAPITAL OUTLAY:					
Equipment:					
School sponsored and other instr. program	12,000	-	12,000		12,000
Required maintenance for school facilities	45,000	103,350	148,350	81,882	66,468
Custodial services	63,050	(63,050)			-
Total Equipment	120,050	40,300	160,350	81,882	78,468
Facilities Acquisition and Constr. Services					
Construction services	385,000	(40,300)	344,700	344,681	19
Assessment for Debt Service on SDA Funding	197,346	-	197,346	197,346	-
Other objects					
Total Facilities Acquisition and Constr. Serv.	582,346	(40,300)	542,046	542,027	19
Total Capital Outlay	702,396	-	702,396	623,909	78,487
SPECIAL SCHOOLS - SUMMER:					
Instruction:					
Salaries of teachers		5,160	5,160	4,410	750
General supplies	4,288	(2,500)	1,788	1,788	-
Total summer school - instruction	4,288	2,660	6,948	6,198	750
Total Special Schools	4,288	2,660	6,948	6,198	750

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, 2015

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Transfer to Charter School	\$ 117,866	\$ 14,000	\$ 131,866	\$ 131,698	\$ 168
TOTAL EXPENDITURES	<u>32,125,807</u>	<u>(55,627)</u>	<u>32,070,180</u>	<u>33,447,867</u>	<u>(1,377,687)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	<u>(2,620,913)</u>	<u>55,627</u>	<u>(2,565,286)</u>	<u>(485,976)</u>	<u>2,079,310</u>
Other Financing Sources:					
Operating transfers in - capital projects fund				107,406	(107,406)
Operating transfers out - food services fund		<u>(55,627)</u>	<u>(55,627)</u>	<u>(22,712)</u>	<u>(32,915)</u>
Total other financing sources	<u>-</u>	<u>(55,627)</u>	<u>(55,627)</u>	<u>84,694</u>	<u>(140,321)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	<u>(2,620,913)</u>	<u>-</u>	<u>(2,620,913)</u>	<u>(401,282)</u>	<u>2,219,631</u>
Fund Balance - July 1, 2014	<u>6,572,262</u>		<u>6,572,262</u>	<u>6,572,262</u>	
Fund Balance - June 30, 2015	<u>\$ 3,951,349</u>	<u>\$ -</u>	<u>\$ 3,951,349</u>	<u>\$ 6,170,980</u>	<u>\$ 2,219,631</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Capital reserve				\$ 813,471	
Maintenance reserve				250,000	
Excess surplus				2,017,432	
Excess surplus - designated for subsequent year's expenditures				2,376,577	
Assigned Fund Balance:					
Year-end encumbrances				78,818	
Designated for subsequent year's expenditures					
ARRA/SEMI - Designated for subsequent year's expenditures				27,712	
Unassigned Fund Balance				<u>606,970</u>	
				<u>6,170,980</u>	
Last State Aid Payment not Recognized on a GAAP Basis				<u>(986,336)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 5,184,644</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, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ 5,000	\$ (119)	\$ 4,881	\$ 4,881	\$ -
State sources	156,090	3,576	159,666	138,691	(20,975)
Federal sources	769,604	352,681	1,122,285	1,036,942	(85,343)
Total Revenues	930,694	356,138	1,286,832	1,180,514	(106,318)
EXPENDITURES:					
Instruction:					
Salaries	221,639	41,398	263,037	236,049	26,988
Purchased prof. - tech. serv.	125,701	78,492	204,193	169,964	34,229
Other purchased services	292,257	159,366	451,623	451,623	-
Textbooks	9,712	-	9,712	9,688	24
General supplies	76,692	70,722	147,414	117,670	29,744
Other Objects	-	23	23	23	-
Total instruction	726,001	350,001	1,076,002	985,017	90,985
Support services:					
Salaries of supervisor of instruction	93,162	(913)	92,249	92,249	-
Personal services - employee benefits	55,354	1,114	56,468	51,177	5,291
Purchased professional - tech. services	15,461	-	15,461	15,306	155
Purchased professional - educ. services	36,250	(2,547)	33,703	32,924	779
Other purchased services	4,466	7,433	11,899	2,791	9,108
Supplies and materials	-	-	-	-	-
Total support services	204,693	5,087	209,780	194,447	15,333
Facilities acquisition and construction services:					
Instructional equipment	-	1,050	1,050	1,050	-
Noninstructional equipment	-	-	-	-	-
Total facilities acq. and const. services	-	1,050	1,050	1,050	-
Total Expenditures	930,694	356,138	1,286,832	1,180,514	106,318
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, 2015

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 32,961,891	\$ 1,180,514
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.	972,924	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(986,336)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 32,948,479</u>	<u>\$ 1,150,609</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 33,447,867	\$ 1,180,514
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	<u>\$ 33,447,867</u>	<u>\$ 1,150,609</u>

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 Fiscal Year

	June 30, 2015
District's proportion of the net pension liability (asset)	0.0504615815%
District's proportionate share of the net pension liability (asset)	\$ 9,447,788
District's covered-employee payroll	3,328,339
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	283.86%
Plan fiduciary net position as a percentage of the total pension liability	42.74%

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

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

	<u>June 30, 2015</u>
Contractually required contribution	\$ 415,998
Contributions in relation to the contractually required contributions	<u>(415,998)</u>
Contribution deficiency (excess)	<u>\$ -</u>
District's covered-employee payroll	3,328,339
Contributions as a percentage of covered-employee payroll	12.50%

This schedule does not contain ten years of information as GASB 68 was implemented during this 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 Fiscal Year

	June 30, 2015
District's proportion of the net pension liability (asset)	0.1420654688%
District's proportionate share of the net pension liability (asset)	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	75,929,369
Total	\$ 75,929,369
District's covered-employee payroll	\$ 15,143,415
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%
Plan fiduciary net position as a percentage of the total pension liability	33.64%

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

**Collingswood School District
Notes to Required Supplementary Information
Pension Schedules
For the Fiscal Year Ended June 30, 2015**

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) with adjustments for mortality improvements from the base year of 2012 Based on Projection Scale AA.

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, 2015

	Total Other Prog. (See E-1A)	Total Other Prog. (See E-1B)	Total Other Prog. (See E-1C)	Total
REVENUES:				
Local sources	\$ -	\$ 66	\$ 4,815	\$ 4,881
State sources	132,179	6,512		138,691
Federal sources			1,036,942	1,036,942
Total Revenues	132,179	6,578	1,041,757	1,180,514
EXPENDITURES:				
Instruction:				
Salaries of teachers			236,049	236,049
Purchased prof. and tech. serv.	107,185	1,119	61,660	169,964
Other purchased services			451,623	451,623
Textbooks	9,688			9,688
General supplies		5,436	112,234	117,670
Other Objects		23		23
Total instruction	116,873	6,578	861,566	985,017
Support services:				
Salaries - supervisor of instruction			92,249	92,249
Personal services-employee benefits			51,177	51,177
Purchased prof. - tech. services	15,306			15,306
Purchased prof. - educ. services			32,924	32,924
Other purchased services			2,791	2,791
Supplies				
Total support services	15,306		179,141	194,447
Facilities acquisition and const. serv.:				
Instructional equipment			1,050	1,050
Total facilities acq. and const. serv.			1,050	1,050
Total Expenditures	132,179	6,578	1,041,757	1,180,514
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, 2015

	Nonpublic Comp. Ed.	Nonpublic Exam & Class.	Nonpublic Speech	Nonpublic Supplemental Instruction	Nonpublic Textbooks	Nonpublic Nursing	Total
REVENUES:							
Local sources							
State sources	\$ 58,585	\$ 15,848	\$ 24,120	\$ 8,632	\$ 9,688	\$ 15,306	\$ 132,179
Federal sources							
Total Revenues	<u>58,585</u>	<u>15,848</u>	<u>24,120</u>	<u>8,632</u>	<u>9,688</u>	<u>15,306</u>	<u>132,179</u>
EXPENDITURES:							
Instruction:							
Purchased prof. and tech. serv.	58,585	15,848	24,120	8,632			107,185
Textbooks					9,688		9,688
General supplies							
Total instruction	<u>58,585</u>	<u>15,848</u>	<u>24,120</u>	<u>8,632</u>	<u>9,688</u>		<u>116,873</u>
Support services:							
Purchased prof. - tech. services						15,306	15,306
Other purchased services							
Total support services						<u>15,306</u>	<u>15,306</u>
Facilities acquisition and const. serv.:							
Instructional equipment							
Total facilities acq. and const. serv.							
Total Expenditures	<u>58,585</u>	<u>15,848</u>	<u>24,120</u>	<u>8,632</u>	<u>9,688</u>	<u>15,306</u>	<u>132,179</u>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COLLINGSWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Nonpublic Technology	Crayola	FCSCCE	Character Education	Picture Your Freedom	Total
REVENUES:						
Local sources	\$ -	\$ 23	\$ -	\$ -	\$ 43	\$ 66
State sources	5,190		203	1,119		6,512
Federal sources						-
Total Revenues	<u>5,190</u>	<u>23</u>	<u>203</u>	<u>1,119</u>	<u>43</u>	<u>6,578</u>
EXPENDITURES:						
Instruction:						
Purchased prof. and tech. serv.				1,119		1,119
Textbooks						
General supplies	5,190		203		43	5,436
Other Objects		23				23
Total instruction	<u>5,190</u>	<u>23</u>	<u>203</u>	<u>1,119</u>	<u>43</u>	<u>6,578</u>
Support services:						
Purchased prof. - tech. services						
Other purchased services						
Supplies						
Total support services						
Facilities acquisition and const. serv.:						
Instructional equipment						
Total facilities acq. and const. sen						
Total Expenditures	<u>5,190</u>	<u>23</u>	<u>203</u>	<u>1,119</u>	<u>43</u>	<u>6,578</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>

COLLINGSWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Title I	Title IIA	IDEA Basic	IDEA Preschool	Rutgers	Total
REVENUES:						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 4,815	\$ 4,815
State sources						-
Federal sources	441,775	61,339	522,844	10,984		1,036,942
Total Revenues	441,775	61,339	522,844	10,984	4,815	1,041,757
EXPENDITURES:						
Instruction:						
Salaries of teachers	198,321	25,624		10,984	1,120	236,049
Purchased prof. - tech. services			61,275		385	61,660
Other purchased services			451,623			451,623
General supplies	100,028		9,946		2,260	112,234
Total instruction	298,349	25,624	522,844	10,984	3,765	861,566
Support services:						
Salaries - supervisor of instruction	92,249					92,249
Personal services-employee benefits	51,177					51,177
Purchased prof. - tech. services						
Purchased prof. - educ. services		32,924				32,924
Other purchased services		2,791				2,791
Travel						
Supplies						
Total support services	143,426	35,715				179,141
Facilities acquisition and const. serv.:						
Instructional equipment					1,050	1,050
Total facilities acq. and const. serv.					1,050	1,050
Total Expenditures	441,775	61,339	522,844	10,984	4,815	1,041,757
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Projects Fund

**COLLINGSWOOD SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year ended June 30, 2015**

Revenues and Other Financing Sources:

State sources - SCC Grant	\$ (71,604)
Transfer from capital reserve	-
	-
Total revenues and other financing sources	(71,604)

Expenditures and Other Financing (Uses):

Purchased professional and technical services	8,238
Construction services	323,585
Transfer to General Fund	107,406
Total expenditures and other financing (uses)	439,229

Excess (deficiency) or revenues over (under) expenditures (510,833)

Fund Balance - July 1, 2014 510,833

Fund Balance - June 30, 2015 \$ -

COLLINGSWOOD SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
James A. Garfield Elementary School - Boiler Replacement
From Inception and for the Fiscal Year ended June 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SCC Grant	\$ 72,000	\$ (18,909)	\$ 53,091	\$ 53,091
Transfer from capital reserve	108,000	-	108,000	108,000
Total revenues	180,000	(18,909)	161,091	161,091
Expenditures and Other Financing Uses:				
Purchased professional services	11,880	1,647	13,527	13,527
Construction services	60,354	58,847	119,201	119,201
Transfer to General Fund - Capital Reserve	-	28,363	28,363	28,363
	72,234	88,857	161,091	161,091
Excess (deficiency) or revenues over (under) expenditures	\$ 107,766	\$ (107,766)	\$ -	\$ -
Additional project information:				
Project Number	0940-050-13-1001			
Grant Date	04/29/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 180,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 180,000			
Percentage Increase over Original Authorized Cost				
Percentage Completion	100.00%			
Original target completion date	08/31/14			
Revised target completion date	08/31/14			

COLLINGSWOOD SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Mark Newbie Elementary School - Boiler Replacement
From Inception and for the Fiscal Year ended June 30, 2015

	Prior Periods	Current Year	Total	Revised Authorized Costs
Revenues and Other Financing Sources:				
State sources - SCC Grant	\$ 72,000	\$ (14,029)	\$ 57,971	\$ 57,971
Transfer from capital reserve	108,000		108,000	108,000
Total revenues	180,000	(14,029)	165,971	165,971
 Expenditures and Other Financing Uses:				
Purchased professional services	11,880	1,647	13,527	13,527
Construction services	69,454	61,947	131,401	131,401
Transfer to General Fund - Capital Reserve	81,334	21,043	21,043	21,043
	81,334	84,637	165,971	165,971
 Excess (deficiency) or revenues over (under) expenditures	 \$ 98,666	 \$ (98,666)	 \$ -	 \$ -
 Additional project information:				
Project Number	0940-060-13-1002			
Grant Date	04/29/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 180,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 180,000			
 Percentage Increase over Original Authorized Cost				
Percentage Completion	100.00%			
Original target completion date	08/31/14			
Revised target completion date	08/31/14			

COLLINGSWOOD SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Thomas Sharp Elementary School - Boiler Replacement
From Inception and for the Fiscal Year ended June 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SCC Grant	\$ 72,000	\$ (18,909)	\$ 53,091	\$ 53,091
Transfer from capital reserve	108,000		108,000	108,000
Total revenues	<u>180,000</u>	<u>(18,909)</u>	<u>161,091</u>	<u>161,091</u>
Expenditures and Other Financing Uses:				
Purchased professional services	11,880	1,648	13,528	13,528
Construction services	60,353	58,847	119,200	119,200
Transfer to General Fund - Capital Reserve	28,363	28,363	28,363	28,363
	<u>72,233</u>	<u>88,858</u>	<u>161,091</u>	<u>161,091</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 107,767</u>	<u>\$ (107,767)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional project information:				
Project Number	0940-070-13-1003			
Grant Date	04/29/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 180,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 180,000			
Percentage Increase over Original Authorized Cost				
Percentage Completion	100.00%			
Original target completion date	08/31/14			
Revised target completion date	08/31/14			

COLLINGSWOOD SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
William P. Tatem Elementary School - Boiler Replacement
From Inception and for the Fiscal Year ended June 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SCC Grant	\$ 72,000	\$ (13,849)	\$ 58,151	\$ 58,151
Transfer from capital reserve	108,000		108,000	108,000
Total revenues	<u>180,000</u>	<u>(13,849)</u>	<u>166,151</u>	<u>166,151</u>
Expenditures and Other Financing Uses:				
Purchased professional services	11,880	1,648	13,528	13,528
Construction services	69,803	62,047	131,850	131,850
Transfer to General Fund - Capital Reserve	81,683	20,773	20,773	20,773
	<u>81,683</u>	<u>84,468</u>	<u>166,151</u>	<u>166,151</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 98,317</u>	<u>\$ (98,317)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional project information:				
Project Number	0940-080-13-2004			
Grant Date	04/29/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 180,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 180,000			
Percentage Increase over Original Authorized Cost				
Percentage Completion	100.00%			
Original target completion date	08/31/14			
Revised target completion date	08/31/14			

COLLINGSWOOD SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Zane North Elementary School - Boiler Replacement
From Inception and for the Fiscal Year ended June 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
State sources - SCC Grant	\$ 72,000	\$ (5,908)	\$ 66,092	\$ 66,092
Transfer from capital reserve	108,000		108,000	108,000
Total revenues	<u>180,000</u>	<u>(5,908)</u>	<u>174,092</u>	<u>174,092</u>
Expenditures and Other Financing Uses:				
Purchased professional services	11,880	1,648	13,528	13,528
Construction services	69,803	81,897	151,700	151,700
Transfer to General Fund - Capital Reserve	8,864	8,864	8,864	8,864
	<u>81,683</u>	<u>92,409</u>	<u>174,092</u>	<u>174,092</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 98,317</u>	<u>\$ (98,317)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional project information:				
Project Number	0940-090-13-2005			
Grant Date	04/29/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 180,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 180,000			
Percentage Increase over Original Authorized Cost				
Percentage Completion	100.00%			
Original target completion date	08/31/14			
Revised target completion date	08/31/14			

Proprietary Funds

COLLINGSWOOD SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-Type Activities Enterprise Funds Food Service	Governmental Activities Internal Service Funds Maintenance Services
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 39,672	\$ 160,595
Intergovernmental receivables:		
State Aid	527	
Federal Aid	20,201	
Interfund	22,712	
Other	33,792	8,358
Inventories	12,285	
Total current assets	129,189	168,953
Noncurrent Assets:		
Equipment	275,456	
Less - accumulated depreciation	(124,698)	
Total Noncurrent Assets	150,758	
Total Assets	279,947	168,953
LIABILITIES:		
Current liabilities:		
Interfund payable		167,628
Accounts payable		1,305
Unearned revenue	1,689	
Total Liabilities	1,689	168,933
NET POSITION:		
Net investment in capital assets	150,758	
Reserve for encumbrances		20
Unrestricted	127,500	
Total Net Position	\$ 278,258	\$ 20

COLLINGSWOOD SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Food Service	Maintenance Services
Operating Revenues:		
Charges for services:		
Daily sales - reimbursable programs	\$ 103,048	\$ -
Daily sales - non-reimbursable programs	86,402	
Maintenance fees from other LEA's		576,862
Miscellaneous		
Special functions	1,999	
Total Operating Revenues	191,449	576,862
Operating Expenses:		
Cost of sales	253,739	
Salaries	290,252	
Supplies	38,697	
Other costs	22,654	576,842
Depreciation	17,443	
Total Operating Expenses	622,785	576,842
Operating Income (Loss)	(431,336)	20
Nonoperating Revenues (Expenses):		
State sources:		
State school lunch program	6,201	
Federal sources:		
National school lunch program	260,784	
National school breakfast program	67,282	
Food distribution program	37,222	
Interest on investments	133	
Transfers	22,712	
Contributing Capital		
Total Nonoperating Revenues	394,334	
Change in Net Position	(37,002)	20
Restatement of Net Position - July 1, 2014	315,260	
Net Position - June 30, 2015	\$ 278,258	\$ 20

COLLINGSWOOD SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-Type Activities Enterprise Funds Food Service	Governmental Activities Internal Service Funds Maintenance Services
Cash Flows from Operating Activities:		
Cash receipts from customers	\$ 190,945	\$ 605,192
Cash receipts from vendor	23,283	
Cash payments to employees for services	(290,252)	(575,537)
Cash payments to suppliers for goods and services	(346,294)	
	(422,318)	29,655
Net cash used by operating activities		
Cash Flows from Noncapital Financing Activities:		
Cash received from state sources	6,402	
Cash received from federal sources	361,722	
Operating transfer in/out	52,992	
	421,116	
Net cash provided by noncapital financing activities		
Cash Flows Used by Capital and Related Financing Activities:		
Purchase of equipment		
Cash Flow Provided by Investing Activities:		
Interest on cash equivalents	133	
	(1,069)	29,655
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents - July 1, 2014	40,741	130,940
	\$ 39,672	\$ 160,595
Cash and cash equivalents - June 30, 2015		
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (431,336)	\$ 20
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:		
Depreciation	17,443	
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(10,509)	107,131
(Increase) decrease in inventory	1,712	
Increase (decrease) in interfund payable		(70,209)
Increase (decrease) in unearned revenue	372	
Increase (decrease) in accounts payable		(7,287)
	(422,318)	29,655
Net cash provided by (used for) operating activities		

Noncash Noncapital Financing Activities:

During the year the District received \$37,222 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, 2015**

	Trust Funds			Agency Funds		
	Unemployment Compensation Insurance Trust	Flexible Benefits Trust	Scholarship Trust	Student Activity	Payroll	Totals
ASSETS:						
Cash and cash equivalents	\$ 796,541	\$ 7,584	\$ 198,609	\$ 170,651	\$ 146,799	\$ 1,320,184
Total Assets	<u>796,541</u>	<u>7,584</u>	<u>198,609</u>	<u>\$ 170,651</u>	<u>\$ 146,799</u>	<u>1,320,184</u>
LIABILITIES:						
Payroll deductions and withholdings					146,799	146,799
Accounts Payable	6,240					6,240
Due to student groups				170,651		170,651
Total Liabilities	<u>6,240</u>			<u>\$ 170,651</u>	<u>\$ 146,799</u>	<u>323,690</u>
NET POSITION:						
Held in trust for payment of claims	790,301	7,584				797,885
Held in trust for scholarships			198,609			198,609
Total Net Position	<u>\$ 790,301</u>	<u>\$ 7,584</u>	<u>\$ 198,609</u>			<u>\$ 996,494</u>

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2015

	<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	\$ -	\$ 2,416	\$ 2,438
Contributions	<u>24,500</u>	<u>40,004</u>	<u>33,150</u>	<u>97,654</u>
Total Additions	<u>24,522</u>	<u>40,004</u>	<u>35,566</u>	<u>100,092</u>
DEDUCTIONS:				
Claims paid	22,446		38,411	60,857
Scholarships paid		<u>43,568</u>		<u>43,568</u>
Total Deductions	<u>22,446</u>	<u>43,568</u>	<u>38,411</u>	<u>104,425</u>
Change in Net Position	2,076	(3,564)	(2,845)	(4,333)
Net Position -- July 1, 2014	<u>5,508</u>	<u>202,173</u>	<u>793,146</u>	<u>1,000,827</u>
Net Position -- June 30, 2015	<u>\$ 7,584</u>	<u>\$ 198,609</u>	<u>\$ 790,301</u>	<u>\$ 996,494</u>

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Student Activity Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2015

	<u>Balance June 30, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Transfers</u>	<u>Balance June 30, 2015</u>
Elementary Schools	\$ 22,110	\$ 46,031	\$ 40,136	\$ -	\$ 28,005
Middle School	24,776	53,431	63,503	2,500	17,204
High School	89,743	227,035	209,343	(2,326)	105,109
Athletics	24,542	121,462	120,789	(5,184)	20,031
District	77	300	85	10	302
Total all schools	<u>\$ 161,248</u>	<u>\$ 448,259</u>	<u>\$ 433,856</u>	<u>\$ (5,000)</u>	<u>\$ 170,651</u>

COLLINGSWOOD SCHOOL DISTRICT
Fiduciary Funds
Payroll Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2015

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS:				
Cash and cash equivalents	\$ 153,953	\$ 22,512,517	\$ 22,519,671	\$ 146,799
Total Assets	<u>\$ 153,953</u>	<u>\$ 22,512,517</u>	<u>\$ 22,519,671</u>	<u>\$ 146,799</u>
LIABILITIES:				
Net payroll	\$ -	\$ 12,002,638	\$ 12,002,638	\$ -
Payroll deductions and withholdings	<u>153,953</u>	<u>10,509,879</u>	<u>10,517,033</u>	<u>146,799</u>
Total Liabilities	<u>\$ 153,953</u>	<u>\$ 22,512,517</u>	<u>\$ 22,519,671</u>	<u>\$ 146,799</u>

Long-Term Debt Schedules

COLLINGSWOOD SCHOOL DISTRICT
Statement of Serial Bonds
For the Fiscal Year Ended June 30, 2015

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance June 30, 2014	Issued	Retired	Balance June 30, 2015
			Date	Amount					
School District Bonds	6/1/05	\$ 20,176,000				\$ 700,000	\$ -	\$ 700,000	\$ -
Refunding School Bonds	12/01/12	14,775,000	6/1/2016	\$ 760,000	3.000%	14,685,000		35,000	14,650,000
			6/1/2017	775,000	3.000%				
			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>\$ 15,385,000</u>	<u>\$ -</u>	<u>\$ 735,000</u>	<u>\$ 14,650,000</u>

COLLINGSWOOD SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2015

	<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	\$ 1,264,634	\$ -	\$ 1,264,634	\$ 1,264,634	\$ -
Miscellaneous					
Total Revenues	<u>1,264,634</u>		<u>1,264,634</u>	<u>1,264,634</u>	
EXPENDITURES:					
Regular debt service:					
Redemption of principal	735,000		735,000	735,000	
Interest	<u>549,388</u>		<u>549,388</u>	<u>549,388</u>	
Total regular debt service	<u>1,284,388</u>		<u>1,284,388</u>	<u>1,284,388</u>	-
Excess (Deficiency) of revenues over (under) expenditures	(19,754)		(19,754)	(19,754)	
Other Financing Sources:					
Operating transfers in				-	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(19,754)		(19,754)	(19,754)	
Fund Balance - July 1, 2014	<u>19,755</u>		<u>19,755</u>	<u>19,755</u>	
Fund Balance - June 30, 2015	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</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,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities:										
Net investment in capital assets	\$ (7,447,949)	\$ 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)
Restricted for:										
Capital projects	18,632,531	8,908,471	1,431,595	666,895	580,221	345,784	448,784	951,244	704,304	813,471
Debt service	428,843	517,803	297,180				91,722	38,120	19,755	1
Other purposes	2,508,513	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
Unrestricted	(1,000,062)	(967,245)	(484,161)	(912,611)	(1,108,657)	(834,943)	(922,763)	(841,687)	(650,882)	(9,507,297)
Total governmental activities net position	<u>\$ 13,121,876</u>	<u>\$ 19,560,644</u>	<u>\$ 24,660,634</u>	<u>\$ 22,745,423</u>	<u>\$ 23,063,094</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>
Business-type activities:										
Net investment in capital assets	\$ 16,196	\$ 27,186	\$ 20,114	\$ 8,287	\$ 22,259	\$ 33,136	\$ 39,497	\$ 70,184	\$ 50,241	\$ 150,758
Unrestricted	176,636	185,250	201,055	235,878	218,361	204,576	171,649	143,325	147,058	127,500
Total business-type activities net position	<u>\$ 192,832</u>	<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>
District-wide:										
Net investment in capital assets	\$ (7,431,753)	\$ 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)
Restricted:										
Capital projects	18,632,531	8,908,471	1,431,595	666,895	580,221	345,784	448,784	951,244	704,304	813,471
Debt service	428,843	517,803	297,180				91,722	38,120	19,755	1
Other purposes	2,508,513	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
Unrestricted	(823,426)	(781,995)	(283,106)	(676,733)	(890,296)	(630,367)	(751,114)	(698,362)	(503,824)	(9,379,797)
Total district net position	<u>\$ 13,314,708</u>	<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>

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 10,135,654	\$ 9,766,538	\$ 9,467,723	\$ 10,906,208	\$ 10,463,791	\$ 9,845,258	\$ 9,965,762	\$ 9,948,024	\$ 10,254,244	\$ 10,881,367
Special education	1,513,027	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
Other instruction	1,260,218	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
Support Services:										
Tuition	1,067,773	1,090,256	1,217,659	1,122,463	730,061	770,843	848,489	772,694	609,230	445,406
Student & instruction related services	3,258,230	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
School administrative services	1,129,376	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
General and business administrative services	916,335	1,005,874	882,631	1,090,433	973,339	1,058,461	1,037,843	995,355	1,103,148	1,033,253
Plant operations and maintenance	2,705,845	2,773,601	2,940,503	3,728,691	3,463,615	3,339,933	3,930,014	3,947,059	4,427,653	4,250,723
Pupil transportation	526,860	598,616	641,564	552,536	461,810	419,354	390,946	441,979	469,426	536,512
Business and other support services										
Unallocated employee benefits	6,088,558	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
Special schools	64,994	64,994	76,586	14,096	16,706	99,034	91,372	138,264	109,557	137,896
Interest on long-term debt	849,358	829,306	809,025	1,221,043	773,619	752,650	727,815	627,683	576,497	560,100
Unallocated depreciation	18,372	20,351	20,351	34,783	55,224	35,510	35,668	34,393	41,232	34,232
Total governmental activities expenses	<u>29,534,600</u>	<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>
Business-type activities:										
Food service	583,923	605,848	647,731	644,521	655,988	626,858	691,309	722,874	665,433	622,785
After school program										
Total business-type activities expense	<u>583,923</u>	<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>
Total district expenses	<u>\$ 30,118,523</u>	<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>
Program Revenues:										
Governmental activities:										
Charges for services	\$ 3,277,033	\$ 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
Operating grants and contributions	3,299,654	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
Capital grants and contributions	1,161,666	6,404,930	4,514,531							
Total governmental activities program revenues	<u>7,738,353</u>	<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>

(Continued)

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Business-type activities:										
Charges for services	\$ 353,308	\$ 359,707	\$ 356,418	\$ 345,625	\$ 317,749	\$ 304,260	\$ 299,210	\$ 307,430	\$ 233,058	\$ 191,449
Operating grants and contributions	198,727	215,745	250,046	271,892	330,752	319,109	347,813	359,117	362,920	371,489
Capital grants and contributions										
Total business type activities program revenues	552,035	575,452	606,464	617,517	648,501	623,369	647,023	666,547	595,978	562,938
Total district program revenues	\$ 8,290,388	\$ 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
Net (Expense)/Revenue:										
Governmental activities	\$ (21,796,247)	\$ (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)
Business-type activities	(31,888)	(30,396)	(41,267)	(27,004)	(7,487)	(3,489)	(44,286)	(56,327)	(69,455)	(59,847)
Total district-wide net expense	\$ (21,828,135)	\$ (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)
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 10,712,886	\$ 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
Taxes levied for debt service	1,258,839	872,806	739,777	760,000	1,275,338	1,354,713	1,354,962	1,280,826	1,295,597	1,264,634
Unrestricted grants and contributions	10,914,433	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
State aid restricted for capital projects						105,000				
Investment earnings	739,521	559,267	265,814	195,039	44,230	19,268	3,000	2,460	2,060	1,761
Miscellaneous income	252,693	261,698	180,219	555,429	142,053	567,278	180,837	538,057	498,457	261,981
Loss on disposal of assets										
State aid canceled on completed projects						(323,433)	18,367	-	-	-
Transfers	(300,000)	(50,000)	(50,000)	(50,000)	143,851	8,172	(17,720)	(8,000)	(52,991)	(22,712)
Total governmental activities	23,578,372	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
Business-type activities:										
Investment earnings								60	254	133
Contributed capital								50,630		
Transfers	50,000	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	50,000	3,942	(8,172)	17,720	58,690	53,245	22,845
Total district-wide	\$ 23,628,372	\$ 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
Change in Net Position:										
Governmental activities	\$ 1,782,125	\$ 6,438,768	\$ 5,099,990	\$ (1,915,211)	\$ 317,671	\$ 1,320,703	\$ 974,518	\$ (3,346)	\$ (750,478)	\$ (1,117,083)
Business-type activities	18,112	19,604	8,733	22,996	(3,545)	(11,661)	(26,566)	2,363	(16,210)	(37,002)
Total district-wide	\$ 1,800,237	\$ 6,458,372	\$ 5,108,723	\$ (1,892,215)	\$ 314,126	\$ 1,309,042	\$ 947,952	\$ (983)	\$ (766,688)	\$ (1,154,085)

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Restricted for										
Capital reserve	\$ 208,751	\$ 220,839	\$ 316,653	\$ 225,625	\$ 234,204	\$ 345,784	\$ 448,784	\$ 951,244	\$ 704,304	\$ 813,471
Excess surplus	636,196	581,615	567,159	650,322	1,348,469	2,234,598	2,313,050	2,402,196	2,376,577	2,017,432
Future tuition payments				210,000	430,000	850,000	850,000	430,000		
Maintenance reserve								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
Designated for subsequent year's budget	1,872,317	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
ARRA/SEMI - Designated for subsequent year's budget										27,712
Unassigned	23,920	39,146	43,348	(377,325)	(519,813)	(312,147)	(394,584)	(332,807)	(355,456)	(379,366)
Total general fund	<u>\$ 2,741,184</u>	<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>
All Other Governmental Funds										
Unreserved, reported in:										
Special revenue fund	\$ (9,944)	\$ (9,944)	\$ (9,944)	\$ 29,915	\$ 26,680	\$ 62,106	\$ 65,518	\$ -	\$ -	\$ -
Capital projects fund	18,423,760	8,687,632	1,114,942	505,933	358,122	255,860			510,833	
Debt service fund	428,843	517,803	297,180		58,084	73,356	91,722	38,120	19,755	1
Total all other governmental funds	<u>\$ 18,842,679</u>	<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>

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

		Fiscal Year Ending June 30,									
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues											
Tax levy	\$	11,971,725	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
Tuition charges		3,277,033	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
Interest earnings		739,521	559,267	345,158	195,039	44,230	19,268	3,000	2,460	2,060	1,761
Miscellaneous		252,693	261,698	430,219	555,429	142,054	567,278	246,133	458,027	498,457	261,981
State sources		14,507,671	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
Federal sources		868,082	1,058,388	858,112	944,174	2,666,480	1,186,660	1,104,647	966,743	947,557	1,181,979
Total revenue		31,616,725	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
Expenditures											
Instruction											
Regular Instruction		9,537,509	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
Special education instruction		1,513,027	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
Other instruction		1,260,218	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
Support Services:											
Tuition		991,919	1,013,042	1,217,659	1,082,234	730,601	770,843	848,489	772,694	609,230	445,406
Student & instruction related services		3,258,230	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
School administrative services		1,129,376	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
General and business admin services		879,591	969,130	845,887	992,022	893,472	913,792	936,775	892,174	990,925	964,790
Plant operations and maintenance		2,632,357	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
Pupil transportation		526,860	598,616	641,564	552,536	461,810	419,354	390,946	441,979	469,426	536,512
Other support services		6,088,558	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
Special Schools		64,994	18,071	27,159	14,096	16,706	12,076	7,618	1,617	949	6,198
Charter Schools		75,854	77,214	49,427	40,229	100,847	86,958	83,754	136,647	108,608	131,698
Capital outlay		3,068,928	16,299,390	12,180,517	823,603	449,403	381,166	576,851	808,680	1,039,193	956,782
Debt service:											
Principal		500,000	500,000	400,000	450,000	500,000	600,000	625,000	705,000	735,000	735,000
Interest and other charges		851,025	831,025	810,400	1,222,590	775,337	754,713	729,963	638,118	578,962	549,388
Total expenditures		32,378,446	47,237,179	43,512,289	33,052,602	32,451,715	31,815,279	32,459,179	34,275,267	34,684,374	36,214,687
Excess (Deficiency) of revenues over (under) expenditures											
		(761,721)	(9,960,772)	(7,205,092)	(1,520,311)	834,972	2,002,896	1,428,803	1,289	(188,730)	(922,569)
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		981,609	547,179		385,411	178,560	234,109	18,367			107,406
Transfers out		(1,281,609)	(597,179)	(379,344)	(435,411)	(182,502)	(225,937)	(36,087)	(8,000)	(52,991)	(130,118)
Total other financing sources (uses)		(300,000)	(50,000)	(386,877)	(50,000)	15,490	(315,261)	647	(8,000)	(52,991)	(22,712)
Net change in fund balances	\$	(1,061,721)	(10,010,772)	(7,591,969)	(1,570,311)	850,462	1,687,635	1,429,450	(6,711)	(241,721)	(945,281)
Debt service as a percentage of noncapital expenditures											
		4.61%	4.30%	3.86%	5.19%	3.99%	4.31%	4.25%	4.01%	3.91%	3.64%
Source: District records											
Note: Noncapital expenditures are total expenditures less capital outlay.											

107

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
2006	\$ 948,616	\$ 3,277,033	\$ 17,680	\$ 12,544	\$ -	\$ -	\$ -	\$ 11,525	\$ -	\$ 1,849	\$ 4,269,247
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
	<u>\$ 3,382,656</u>	<u>\$ 40,915,415</u>	<u>\$ 136,802</u>	<u>\$ 360,677</u>	<u>\$ 95,284</u>	<u>\$ 235,483</u>	<u>\$ 1,014,463</u>	<u>\$ 64,380</u>	<u>\$ 258,865</u>	<u>\$ 103,582</u>	<u>\$46,567,607</u>

108

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
2006	\$ 1,521,700	\$ 402,673,300	\$ 55,969,300	\$ 18,525,600	\$ 478,689,900	\$ 2,421,051	\$ 481,110,951	\$ 160,318,800	\$ 2.499	\$ 830,706,079
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	285,501,400	1.380	1,111,995,659
2013	8,313,700	913,740,100	114,053,300	38,400,700	1,074,507,800		1,074,507,800	279,504,700	1.389	1,078,383,548
2014	7,993,800	909,879,300	112,657,200	38,400,700	1,068,931,000		1,068,931,000	283,263,300	1.408	1,032,487,546
2015	7,696,400	909,569,100	109,533,700	37,733,700	1,064,532,900		1,064,532,900	281,795,500	1.449	1,016,624,555

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	
2006	\$ 2.370	\$ 0.259	\$ 2.629	\$ 1.279	\$ 0.285	\$ 1.303		\$ 5.496
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

Source: Municipal Tax Collector

R Reassessment.

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

111

Taxpayer	2015		Taxpayer	2006	
	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%
900 Haddon Avenue LLC	4,000,000	0.38%	Cooper River Manor Investors	4,343,200	0.90%
Collingswood Associates	3,624,100	0.34%	Station House Associates	3,175,600	0.66%
ACE Partnership	3,500,000	0.33%	Collingswood Associates	2,600,000	0.54%
Parkview Urban Renewal, LLC	3,384,000	0.32%	ACE Partnerships	2,400,200	0.50%
Flaum Prop. Co.	3,325,000	0.31%	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	\$ 36,669,700	3.44%		\$ 23,159,288	4.81%

Source: Municipal Tax Assessor

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

J-9

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	
2006	\$ 11,971,725	\$ 11,971,725	100.00%	-
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%	-

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		Percentage of Personal Income ^b	Per Capita ^c
	General Obligation Bonds ^a	Capital Leases	Capital Leases	Total District		
2006	\$ 19,676,000			\$ 19,676,000	3.58%	1,408
2007	19,176,000			19,176,000	3.37%	1,377
2008	18,776,000			18,776,000	3.22%	1,355
2009	18,326,000			18,326,000	3.15%	1,324
2010	17,826,000			17,826,000	3.03%	1,280
2011	17,226,000			17,226,000	2.80%	1,239
2012	16,601,000			16,601,000	2.65%	1,195
2013	16,120,000			16,120,000	2.55%	1,159
2014	15,385,000			15,385,000	(1)	1,102
2015	14,650,000			14,650,000	(1)	(1)

Sources:

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

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

J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable ^b	Per Capita ^c
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding ^a		
2006	\$ 19,676,000	\$ -	\$ 19,676,000	1.81%	1,408
2007	19,176,000		19,176,000	1.78%	1,377
2008	18,776,000		18,776,000	1.74%	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%	1,159
2014	15,385,000		15,385,000	1.44%	1,102
2015	14,650,000		14,650,000	1.38%	(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, 2014

<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	\$ 28,327,006 (1)	100.000%	\$ 28,327,006
Camden County General Obligation Debt	246,860,397 (2)	2.873%	7,092,299
Subtotal, overlapping debt			35,419,305
Collingswood School District Direct Debt			16,120,000
Total direct and overlapping debt			\$ 51,539,305

Sources:

- (1) Entity's Audit Report
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2014 Equalized Valuation. The source for this computation was the 2014 County Abstract of Ratables, provided by the County Board of Taxation.

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

Legal Debt Margin Calculation for Fiscal Year 2015

Equalized valuation basis (1)	
2012	\$ 1,070,736,007
2013	1,030,702,926
2014	<u>1,014,936,384</u>
	<u>\$ 3,116,375,317</u>

Average equalized valuation of taxable property \$ 1,038,791,772

Debt limit (4% of average equalized valuation) (2)	\$ 41,551,671
Net bonded school debt (3)	<u>14,650,000</u>
Legal debt margin	<u>\$ 26,901,671</u>

Fiscal Year

	<u>2006</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>
Debt limit	\$ 26,957,474	\$ 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
Total net debt applicable to limit (3)	<u>19,676,000</u>	<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>
Legal debt margin	<u>\$ 7,281,474</u>	<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>
Total net debt applicable to the limit as a percentage of debt limit	72.99%	59.32%	49.84%	44.03%	41.07%	40.66%	37.93%	37.02%	36.10%	35.26%

Sources:

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

Collingswood School District
 Demographic and Economic Statistics
 Last Ten Fiscal Years

J-14

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2006	13,973	\$ 550,172,902	\$ 39,374	5.0%
2007	13,927	568,193,746	40,798	4.6%
2008	13,854	582,643,824	42,056	6.0%
2009	13,839	581,736,204	42,036	9.5%
2010	13,925	588,052,750	42,230	10.0%
2011	13,906	615,048,474	44,229	9.8%
2012	13,890	625,925,070	45,063	9.9%
2013	13,905	633,289,320	45,544	8.8%
2014	13,962	e	e	5.8%
2015	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>2006</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>
Instruction										
Regular	169.0	179.0	182.0	136.5	137.0	141.1	144.0	142.0	143.0	147.0
Special education	8.0	8.5	9.0	44.5	57.0	43.2	50.0	69.0	67.0	67.5
Support Services:										
Student & instruction related services	50.7	51.0	51.0	45.0	46.0	36.0	36.0	60.0	54.5	48.0
School administrative services	18.4	19.0	19.0	19.0	18.0	17.0	17.0	17.0	17.0	17.0
General and business administrative services	9.0	9.5	9.5	9.5	9.5	8.7	8.7	8.7	8.7	8.7
Plant operations and maintenance	32.0	32.0	32.0	32.0	33.0	33.5	33.5	33.5	32.0	32.0
Business and other support services	0.2									
Total	<u>287.3</u>	<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>

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				
2006	1,925	27,958,493	\$ 14,524	11.80%	192	1:09.39	1:09.26	1:10.26	1,909.9	1,804.6	-2.14%	94.49%
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%

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
District Building										
<u>Elementary</u>										
Garfield Elementary (1915)										
Square Feet	16,170	16,170	16,007	16,007	16,007	16,007	16,007	16,007	16,007	16,007
Capacity (students)	175	175	127	127	127	127	127	127	127	127
Enrollment	139	139	136	116	125	136	117	134	132	142
Newbie Elementary (1923)										
Square Feet	21,527	21,527	20,669	20,669	20,669	20,669	20,669	20,669	20,669	20,669
Capacity (students)	205	205	155	155	155	155	155	155	155	155
Enrollment	164	164	164	153	156	164	146	141	145	125
Sharp Elementary (1905)										
Square Feet	27,361	27,361	25,684	25,684	25,684	25,684	25,684	25,684	25,684	25,684
Capacity (students)	294	294	202	202	202	202	202	202	202	202
Enrollment	161	161	165	155	154	165	149	158	150	170
Tatem Elementary (1951)										
Square Feet	23,040	23,040	26,827	26,827	26,827	26,827	26,827	26,827	26,827	26,827
Capacity (students)	348	348	201	201	201	201	201	201	201	201
Enrollment	195	195	194	185	187	194	183	203	214	223
Zane North Elementary (1951)										
Square Feet	22,609	22,609	24,003	24,003	24,003	24,003	24,003	24,003	24,003	24,003
Capacity (students)	213	213	181	181	181	181	181	181	181	181
Enrollment	175	175	174	158	178	174	151	179	185	172
<u>Middle School</u>										
Collingswood Middle (1922)										
Square Feet	79,874	79,874	94,605	94,605	94,605	94,605	94,605	94,605	94,605	94,605
Capacity (students)	855	855	647	647	647	647	647	647	647	647
Enrollment	269	269	255	346	317	255	372	357	353	334
<u>Senior High School</u>										
Collingswood High School (1962)										
Square Feet	124,966	124,966	154,878	154,878	154,878	154,878	154,878	154,878	154,878	154,878
Capacity (students)	1,065	1,065	1,065	1,055	1,055	1,055	1,055	1,055	1,055	1,055
Enrollment	740	740	823	823	789	823	690	681	688	707
<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, 2015										
Elementary = 5										
Middle School = 1										
Senior High School = 1										
Other = 0										

Source: District Facilities Office

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
* School Facilities											
High School	\$ 84,032	\$ 65,434	\$ 76,710	\$ 117,350	\$ 95,801	\$ 90,381	\$ 129,342	\$ 137,690	\$ 393,406	\$ 424,661	\$ 1,614,807
Middle School	23,827	35,216	24,776	33,800	25,407	52,807	61,720	53,216	240,466	259,571	810,806
Garfield Elementary	5,361	4,887	5,338	17,300	21,808	7,027	19,940	41,555	40,538	43,759	207,513
Newbie Elementary	20,478	9,513	9,524	14,400	12,866	20,654	34,961	17,759	52,515	56,688	249,358
Sharp Elementary	18,788	16,505	33,377	32,050	28,555	14,226	22,203	36,878	65,414	70,611	338,607
Tatem Elementary	9,774	6,888	17,337	17,050	23,017	21,271	17,315	54,394	68,178	73,595	308,819
Zane North Elementary	12,266	17,170	7,118	23,900	19,220	20,571	40,940	17,276	60,808	65,638	284,907
Total School Facilities	\$ 174,526	\$ 155,613	\$ 174,180	\$ 255,850	\$ 226,674	\$ 226,937	\$ 326,421	\$ 358,768	\$ 921,325	\$ 994,523	\$ 3,814,817

* 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, 2015**

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
General and Automobile Liability	15,000,000	250,000	
Educators Legal Liability	15,000,000	100,000	
Workers' compensation	Statutory	250,000	
Comprehensive Crime Coverage	500,000	250,000	500
Pollution Legal Liability	3,000,000		25,000
Cyber Liability	1,000,000		25,000
Commerical Canine (2)	1,000,000		5,000
Catastrophe Accident Insurance (3)	6,000,000		
Student Accident Insurance (3)	1,000,000		
Surety Bonds (4)			
Board Secretary	250,000		

- (1) Burlington County Joint Insurance Fund
- (2) Lester Kalmanson Agency
- (3) National Union Fire Insurance Co.
- (4) Selective Insurance Co.

Source: District records

Single Audit Section

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
 Marlton, New Jersey 08053
 (856) 983-2244
 Fax (856) 983-6674
 E-Mail: iscpas@concentric.net

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

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
 REPORT ON INTERNAL CONTROL OVER COMPLIANCE
 AS REQUIRED BY OMB CIRCULAR A-133
 AND STATE OF NEW JERSEY OMB CIRCULAR 04-04 AND/OR 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 Circular A-133 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, 2015. 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 laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and State of New Jersey OMB's Circular 04-04 and/or 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and State of New Jersey Circular OMB's 04-04 and/or 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, 2015.

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 programs and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey OMB's Circular 04-04 and/or 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's 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 OMB Circular A-133 and the New Jersey OMB's Circular 04-04 and/or 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 and Expenditures of State Financial Assistance Required by New Jersey OMB 04-04 and/or 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 year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. I have issued my report thereon dated November 27, 2015, which contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04 and/or 15-08 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 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 financial statements or to the 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 expenditure of federal awards and the schedules of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant

Marlton, New Jersey
November 27, 2015

COLLINGSWOOD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year ended June 30, 2015

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2014			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2015		
					(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 2015	84.010A	NCLB094015	\$ 479,099	7/1/14 - 6/30/15	\$ -	\$ -	\$ -	\$ -	\$ 287,293	\$ (441,775)	\$ -	\$ -	\$ (154,482)	\$ -	\$ -
Fiscal Year 2014	84.010A	NCLB094014	525,408	7/1/13 - 6/30/14	(107,643)			107,643							
Title II A:															
Fiscal Year 2015	84.367A	NCLB094015	83,187	7/1/14 - 6/30/15				61,249	(61,339)				(90)		
Fiscal Year 2014	84.367A	NCLB094014	59,000	7/1/13 - 6/30/14	(6,533)			6,429					(104)		
I.D.E.A. Part B - Basic:															
Fiscal Year 2015	84.027	IDEA094015	537,502	7/1/14 - 6/30/15				420,943	(522,844)				(101,901)		
Fiscal Year 2014	84.027	IDEA094014	438,968	7/1/13 - 6/30/14	(150,115)			150,115					-		
Fiscal Year 2013	84.027	IDEA094013	518,867	9/1/12 - 8/31/13	(1)								(1)		
I.D.E.A. Part B - Preschool:															
Fiscal Year 2015	84.173	IDEA094015	10,984	7/1/14 - 6/30/15				9,963	(10,984)				(1,021)		
Fiscal Year 2014	84.173	IDEA094014	10,614	7/1/13 - 6/30/14	(3,694)			3,694					-		
Race to the Top															
Fiscal Year 2014	84.416	RTTT094014	21,176	7/1/13 - 6/30/14	(17,176)								(17,176)		
Total U.S. Department of Education					(285,162)	-	-	-	1,047,329	(1,036,942)	-	-	(274,775)	-	-
U.S. Department of Agriculture															
Passed-through State Department of Education:															
Enterprise Fund:															
Food Distribution Program:															
Fiscal Year 2015	10.565	N/A	37,222	7/1/14 - 6/30/15				37,222	(37,222)						
School Breakfast Program:															
Fiscal Year 2015	10.553	N/A	67,282	7/1/14 - 6/30/15				61,876	(67,282)				(5,406)		
Fiscal Year 2014	10.553	N/A	42,823	7/1/13 - 6/30/14	(2,435)			2,435							
National School Lunch Program															
Fiscal Year 2015	10.555	N/A	260,784	7/1/14 - 6/30/15				245,990	(260,784)				(14,794)		
Fiscal Year 2014	10.555	N/A	264,354	7/1/13 - 6/30/14	(14,199)			14,199							
Total U.S. Department of Agriculture					(16,634)	-	-	-	361,722	(365,288)	-	-	(20,200)	-	-
U.S. Department of Health and Human Services															
Passed-through State Department of Human Services:															
General Fund:															
Medicaid Assistance Program															
Fiscal Year 2015	93.778	N/A	146,422	7/1/14 - 6/30/15				122,094	(146,422)				(24,328)		
ARRA/SEMI	93.778	N/A	27,712	10/1/08 - 12/31/10				27,712	(27,712)				-		
					-	-	-	-	149,806	(174,134)	-	-	(24,328)	-	-
Total Federal Awards					\$ (301,796)	\$ -	\$ -	\$ -	\$ 1,558,857	\$ (1,576,364)	\$ -	\$ -	\$ (319,303)	\$ -	\$ -

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, 2015

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2014			Cash Received	Adjustment	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance, June 30, 2015		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor					(Accounts Receivable)	Deferred Revenue	Due to Grantor
State Department of Education													
General Fund:													
Equalization Aid	15-495-034-5120-078	\$ 7,836,707	7/1/14-6/30/15	\$ -	\$ -	\$ -	\$ 7,092,808	\$ -	\$ (7,836,707)	\$ -	\$ (743,899)	\$ -	
Equalization Aid	14-495-034-5120-078	7,836,707	7/1/13-6/30/14	(739,444)	-	-	739,444	-	-	-	-	-	
Special Education Categorical Aid	15-495-034-5120-089	908,909	7/1/14-6/30/15	-	-	-	822,631	(908,909)	-	-	(86,278)	-	
Special Education Categorical Aid	14-495-034-5120-089	908,909	7/1/13-6/30/14	(85,761)	-	-	85,761	-	-	-	-	-	
Security Aid	15-495-034-5120-084	265,588	7/1/14-6/30/15	-	-	-	240,377	(265,588)	-	-	(25,211)	-	
Security Aid	14-495-034-5120-084	265,588	7/1/13-6/30/14	(25,060)	-	-	25,060	-	-	-	-	-	
Adjustment Aid	15-495-034-5120-085	1,044,170	7/1/14-6/30/15	-	-	-	945,052	(1,044,170)	-	-	(99,118)	-	
Adjustment Aid	14-495-034-5120-085	1,044,170	7/1/13-6/30/14	(98,524)	-	-	98,524	-	-	-	-	-	
Transportation Aid	15-495-034-5120-014	179,759	7/1/14-6/30/15	-	-	-	162,696	(179,759)	-	-	(17,063)	-	
Transportation Aid	14-495-034-5120-014	179,759	7/1/13-6/30/14	(16,962)	-	-	16,962	-	-	-	-	-	
School Choice Aid	15-495-034-5120-068	123,539	7/1/14-6/30/15	-	-	-	111,812	(123,539)	-	-	(11,727)	-	
School Choice Aid	14-495-034-5120-068	76,024	7/1/13-6/30/14	(7,173)	-	-	7,173	-	-	-	-	-	
Extraordinary Special Education Costs Aid	15-100-034-5120-473	23,780	7/1/14-6/30/15	-	-	-	-	(23,780)	-	-	(23,780)	-	
Extraordinary Special Education Costs Aid	14-100-034-5120-473	25,978	7/1/13-6/30/14	(25,709)	-	-	25,978	(269)	-	-	-	-	
PARCC Readiness Aid	15-495-034-5120-098	16,010	7/1/14-6/30/15	-	-	-	14,490	(16,010)	-	-	(1,520)	-	
Per Pupil Growth Aid	15-495-034-5120-097	16,010	7/1/14-6/30/15	-	-	-	14,490	(16,010)	-	-	(1,520)	-	
On-behalf TPAF Post Retirement Medical	15-100-034-5094-001	1,224,946	7/1/14-6/30/15	-	-	-	1,224,946	(1,224,946)	-	-	-	-	
On-behalf TPAF Pension Contribution	15-100-034-5094-006	771,620	7/1/14-6/30/15	-	-	-	771,620	(771,620)	-	-	-	-	
Reimbursed TPAF Social Security Contr.	15-100-034-5094-003	1,102,780	7/1/14-6/30/15	-	-	-	1,048,282	(1,102,799)	-	-	(54,517)	-	
Reimbursed TPAF Social Security Contr.	14-100-034-5094-003	1,082,636	7/1/13-6/30/14	(53,447)	-	-	53,447	-	-	-	-	-	
Total General Fund				(1,052,080)	-	-	13,501,553	-	(13,514,106)	-	(1,064,633)	-	
Special Revenue Fund:													
NJ Nonpublic Aid:													
Textbook Aid	15-100-034-5120-064	9,712	7/1/14-6/30/15	-	-	-	9,712	(9,688)	-	-	-	24	
Textbook Aid	14-100-034-5120-064	8,886	7/1/13-6/30/14	-	-	260	-	-	260	-	-	-	
Nursing Aid	15-100-034-5120-070	15,481	7/1/14-6/30/15	-	-	-	15,461	(15,306)	-	-	-	155	
Nursing Aid	14-100-034-5120-070	12,506	7/1/13-6/30/14	-	-	125	-	-	125	-	-	-	
Technology Aid	15-100-034-5120-373	5,216	7/1/14-6/30/15	-	-	-	5,216	(5,190)	-	-	-	26	
Technology Aid	14-100-034-5120-373	3,240	7/1/13-6/30/14	-	-	3,240	-	-	3,240	-	-	-	
Auxiliary Services:													
Compensatory Education	15-100-034-5120-067	67,634	7/1/14-6/30/15	-	-	-	68,530	(58,585)	-	-	-	9,945	
Compensatory Education	14-100-034-5120-067	89,878	7/1/13-6/30/14	-	-	33,468	-	-	33,468	-	-	-	
ESL	14-100-034-5120-067	1,746	7/1/13-6/30/14	-	-	873	-	-	873	-	-	-	
Home Instruction	14-100-034-5120-067	548	7/1/13-6/30/14	(548)	-	-	548	-	-	-	-	-	
Handicapped Services:													
Supplemental Instruction	15-100-034-5120-066	11,771	7/1/14-6/30/15	-	-	-	11,771	(8,632)	-	-	-	3,139	
Supplemental Instruction	14-100-034-5120-066	18,734	7/1/13-6/30/14	-	-	12,698	-	-	12,698	-	-	-	
Examination & Classification	15-100-034-5120-066	15,848	7/1/14-6/30/15	-	-	-	15,848	(15,848)	-	-	-	-	
Corrective Speech	15-100-034-5120-066	31,806	7/1/14-6/30/15	-	-	-	31,806	(24,120)	-	-	-	7,686	
Corrective Speech	14-100-034-5120-066	31,248	7/1/13-6/30/14	-	-	11,406	-	-	11,406	-	-	-	
Character Education Aid	06-495-034-5120-053	5,302	7/1/05-6/30/11	-	1,119	-	-	(1,119)	-	-	-	-	
FCSCCE	N/A	2,500	7/1/12-6/30/13	-	203	-	-	(203)	-	-	-	-	
Total Special Revenue Fund				(548)	1,322	62,070	158,892	-	(138,691)	62,070	-	20,975	
Capital Projects Fund:													
James A. Garfield Elementary School	0940-050-13-1101	72,000	4/29/14-8/31/14	(72,000)	-	-	53,091	18,909	-	-	-	-	
Mark Newble Elementary School	0940-060-13-1022	72,000	4/29/14-8/31/14	(72,000)	-	-	57,971	14,029	-	-	-	-	
Thomas Sharp Elementary School	0940-070-13-1033	72,000	4/29/14-8/31/14	(72,000)	-	-	53,091	18,909	-	-	-	-	
William P. Tatem Elementary School	0940-080-13-2004	72,000	4/29/14-8/31/14	(72,000)	-	-	58,151	13,849	-	-	-	-	
Zane North Elementary School	0940-090-13-2005	72,000	4/29/14-8/31/14	(72,000)	-	-	66,052	5,908	-	-	-	-	
Total Capital Projects Fund				(360,000)	-	-	288,396	71,604	-	-	-	-	
State Department of Agriculture													
Enterprise Fund:													
National School Lunch Program (State Share)													
Fiscal Year 2015	15-100-010-3350-023	6,201	7/1/14-6/30/15	-	-	-	5,674	(6,201)	-	-	(527)	-	
Fiscal Year 2014	14-100-010-3350-023	7,151	7/1/13-6/30/14	(728)	-	-	728	-	-	-	(527)	-	
Total Enterprise Fund				(728)	-	-	6,402	(6,201)	-	-	(527)	-	
Total State Financial Assistance:				\$ (1,413,356)	\$ 1,322	\$ 62,070	\$ 13,955,243	\$ 71,604	\$ (13,658,998)	\$ 62,070	\$ (1,065,160)	\$ 20,975	

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, 2015

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 OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*; 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 (\$13,412) 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	\$ 174,134	\$ 13,500,694	\$ 13,674,828
Special Revenue	1,007,845	137,883	1,145,728
Capital Projects		(71,604)	(71,604)
Food Service	365,288	6,201	371,489
Total	<u>\$ 1,547,267</u>	<u>\$ 13,573,174</u>	<u>\$ 15,120,441</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, 2015
(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, 2015. 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, 2015.

6. MAJOR PROGRAMS

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

7. ADJUSTMENTS

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

	State
Cancellation of accounts receivable	\$ 71,604
<hr style="border: none; border-top: 1px solid black;"/>	
Total	\$ 71,604

COLLINGSWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- 1) Material weaknesses identified? yes X no
- 2) Significant deficiencies identified? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

- 1) Material weakness(es) identified? yes X no
- 2) Significant deficiencies identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133 ? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.555</u>	<u>National School Lunch Program</u>
<u>10.553</u>	<u>School Breakfast Program</u>
<u>84.010</u>	<u>Title I</u>
<u> </u>	<u> </u>

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes no

**COLLINGSWOOD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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, 2015**

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

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular Letter 04-04 and/or 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
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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 Circular A-133 and NJOMB's Circular 04-04 and/or 15-08, as applicable.

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings.

FEDERAL AWARDS

Finding #2014-1

Information on the Federal Program:

N.C.L.B. – Title I C.F.D.A. No. 84-010A

Condition:

The District's required documents did not support the percentage of activity of one employee charged to the program.

Current Status:

This condition has been corrected.

STATE AWARDS

There were no prior year audit findings.