



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2015

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Table of Contents

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
Required Supplementary Information – Part I Management’s Discussion and Analysis	17
Basic Financial Statements	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	31
A-2 Statement of Activities	32
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	34
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	37
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	39
Proprietary Funds:	
B-4 Statement of Net Position	40
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	41
B-6 Statement of Cash Flows	42
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	43
B-8 Statement of Changes in Fiduciary Net Position	44
Notes to the Financial Statements	45
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	80
C-1a Combining Schedule of Revenues, Expenditures and Changes In Fund Balance – Budget and Actual	N/A
C-1b Community Development Block Grant – Budget and Actual	N/A
C-2 Budgetary Comparison Schedule – Special Revenue Fund	94
C-3 Budgetary Comparison Schedule – Note to RSI	95

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Required Supplementary Information – Part III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the School District’s Proportionate Share of the Net Pension Liability – PERS	98
L-2 Schedule of District Contributions – PERS	99
L-3 Schedule of the School District’s Proportionate Share of the Net Pension Liability – TPAF	100
L-4 Schedule of School District Contributions – TPAF	101
L-5 Notes to the Required Supplementary Information – Part III GASB 68 Pension Changes	102
Required Supplementary Information – Part IV	
L-6 Schedule of Funding Progress for Health Benefits Plan	N/A
L-7 Notes to the Required Supplementary Information – Part IV	N/A
Other Supplementary Information	
D. School Based Budget Schedules:	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3 Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedules of Program Revenues and Expenditures – Budgetary Basis	105
E-2 Statement of Preschool Education Aid – Budgetary Basis	107
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	109
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis	110
F-2a Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis	111
F-2b Statement of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis	N/A

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Other Supplementary Information (Cont'd)	
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Position	113
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	114
G-3 Combining Statement of Cash Flows	115
Internal Service Fund:	
G-4 Combining Statement of Net Position	N/A
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
G-6 Combining Statement of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	117
H-2 Combining Statement of Changes in Fiduciary Net Position	118
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	119
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	120
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	122
I-2 Schedule of Obligations under Capital Leases	123
I-3 Debt Service Fund Budgetary Comparison Schedule	124

STATISTICAL SECTION (Unaudited)

Introduction to the Statistical Section

Financial Trends

J-1 Net Position by Component	127
J-2 Changes in Net Position	128
J-3 Fund Balances—Governmental Funds	131
J-4 Changes in Fund Balances—Governmental Funds	132
J-5 General Fund Other Local Revenue by Source	133

Revenue Capacity

J-6 Assessed Value and Actual Value of Taxable Property	135
J-7 Direct and Overlapping Property Tax Rates	136
J-8 Principal Property Taxpayers	137
J-9 Property Tax Levies and Collections	138

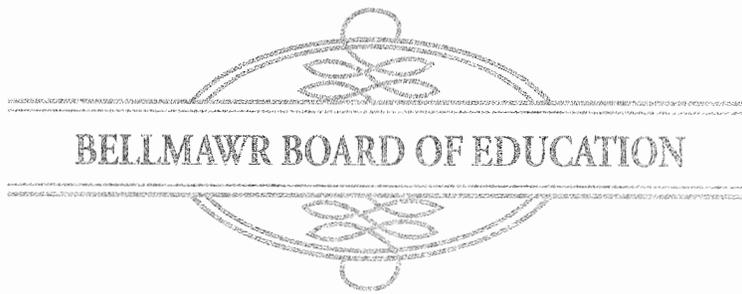
Debt Capacity

J-10 Ratios of Outstanding Debt by Type	140
J-11 Ratios of Net General Bonded Debt Outstanding	141
J-12 Direct and Overlapping Governmental Activities Debt	142
J-13 Legal Debt Margin Information	143

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Statistical Section (Cont'd)	
Demographic and Economic Information	
J-14 Demographic and Economic Statistics	145
J-15 Principal Employers	146
Operating Information	
J-16 Full-time Equivalent District Employees by Function/Program	148
J-17 Operating Statistics	149
J-18 School Building Information	150
J-19 Schedule of Required Maintenance Expenditures by School Facility	151
J-20 Insurance Schedule	152
 SINGLE AUDIT SECTION 	
K-1 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	14
K-2 Report on Compliance for Each Major Program and Report on Internal Control Over Compliance Required By OMB Circular A-133 and State of New Jersey Circular 15-08-OMB	154
K-3 Schedule of Expenditures of Federal Awards, Schedule A	156
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	158
K-5 Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	162
K-6 Schedule of Findings and Questioned Costs	164
K-7 Summary Schedule of Prior Audit Findings and Questioned Costs as Prepared by Management	169

INTRODUCTORY SECTION



AMY M. CAPRIOTTI, CPA
School Business Administrator/Board Secretary

December 9, 2015

Honorable President and
Members of the Board of Education
Bellmawr Public School District
256 Anderson Avenue
Bellmawr, NJ 08031

Dear Board Members:

The comprehensive annual financial report (CAFR) of the Bellmawr Public School District for the fiscal year ended June 30, 2015, is hereby submitted. This CAFR includes the District's basic financial statements prepared in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designated to present fairly the financial position and results of operations of the various funds 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:

- The Introductory Section contains a letter of transmittal, an organizational chart of the District, a roster of principal officials, and a list of consultants and advisors;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the basic financial statements, and notes providing an overview of the District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the District, generally presented on a multi-year basis;
- The Single Audit Section – The District is required to undergo an annual audit in conformity with

256 Anderson Avenue • Bellmawr, New Jersey 08031
Tele: 856-931-6298 • Fax: 856-931-9326
www.bellmawrschools.org

the provisions of the U.S. Office of Management and Budget Circular A-133, “Audits of States, Local Governments and Non-Profit Organizations”, and the New Jersey OMB Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments. Information related to this single audit, including the auditors' reports on the internal control structure and compliance with applicable laws and regulations, and findings and recommendations, if any, are included in the single audit section of this report.

Reporting Entity and Its Services

The Bellmawr Public School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Bellmawr Board of Education and its three schools constitute the District's reporting entity.

The District continues to maintain a high quality of education. The District provides a full range of programs and services appropriate to grade levels Pre-K through 8. These include regular education, special education for students with disabilities, as well as basic skills improvement for lower functioning students. A variety of extra-curricular activities are offered to all students. The following details the changes in the student enrollment of the District over the last five years. The table presents the actual historical pupil enrollment as of October 15, for the school years 2010-11 through 2014-15.

Fiscal <u>Year</u>	Student <u>Enrollment</u>
2014-15	1,161
2013-14	1,133
2012-13	1,114
2011-12	1,135
2010-11	1,146

For fiscal year 2014-2015, the district administrative structure included a Superintendent, a Business Administrator/Board Secretary, three Principals, a Director of Curriculum & Instruction, and a Director of Special Services . The seven-member Board of Education is an elected body consisting of seven members from Bellmawr. The Board of Education meets on the fourth Wednesday of each month for its work session meetings and the fourth Wednesday of each month for its regular Board meetings (with some exceptions). During its Board meetings, the Board determines district goals and priorities and conducts business of the Board of Education. Board meetings are open to the public with the work sessions beginning at 5:00 pm and the regular meetings beginning at 6:00 pm.

The District is committed to helping every student reach his or her individual potential, capabilities and

goals, and in doing so, provides a stimulating physical and social environment which is designed to activate the appetite for learning and motivate the students to excel to their fullest potential. It is the District philosophy that education must be flexible and oriented toward the future and that we must attempt to insure the fulfillment of the student's educational aspirations and their correlated growth characteristics. Our educational process shall continually be improved, expanded, and evaluated to meet the demands of the times. We must provide a physical and social environment which discovers, develops, and nurtures human talents, self-confidence, and critical thinking.

As society moves into the twenty-first century, we must challenge students to become critical, independent thinkers. Additionally, an emphasis has been placed on technology throughout the District through integration and immersion. The District has adopted the goals, objectives and proficiencies outlined in the Technology Plan.

Economic Condition and Outlook

Although the Bellmawr community is essentially fully developed, enrollments have been generally stable. There is a trend toward younger families moving into the community as homes become available.

There is a major "light" industrial park located in the Borough, which includes a regional office of the United States Postal Service and sixty-two other wholesale and industrial businesses.

The Borough is situated directly between the NJ Turnpike, Interstate 295 and Routes 42, 30 and 168, making this a bustling area of commerce.

Goals and Objectives for 2014-2015

The District Goals were:

- To improve communication with all stakeholders
- To establish an Early Childhood Center
- To build a summer enrichment and extension program
- To implement the newly formed C.A.R.E. program
- To continue with technology improvements
- To increase academic achievement in Reading, Writing, Mathematics and Science for all students
- To create a facilities management plan that includes cost savings measures

Internal Accounting Controls

Management of the District is responsible for establishing and maintaining internal controls 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 controls are 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 adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. The internal controls are 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 controls, including that portion related to Federal and State financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

Budgetary Controls

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at year end.

Accounting System and Reports

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

Management's Discussion and Analysis

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in connection with it. The District's MD&A can be found immediately following the report of the independent auditors.

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 is required 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.

Risk Management

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

Independent Audit

State statutes require an annual audit by independent Certified Public Accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP, was selected by the Board of Education. In addition to meeting the requirements set forth in the state statutes, the audit also was designed to meet the requirements of OMB Circular A-133 and New Jersey Circular 15-08-0MB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

Acknowledgements

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

Respectfully submitted,

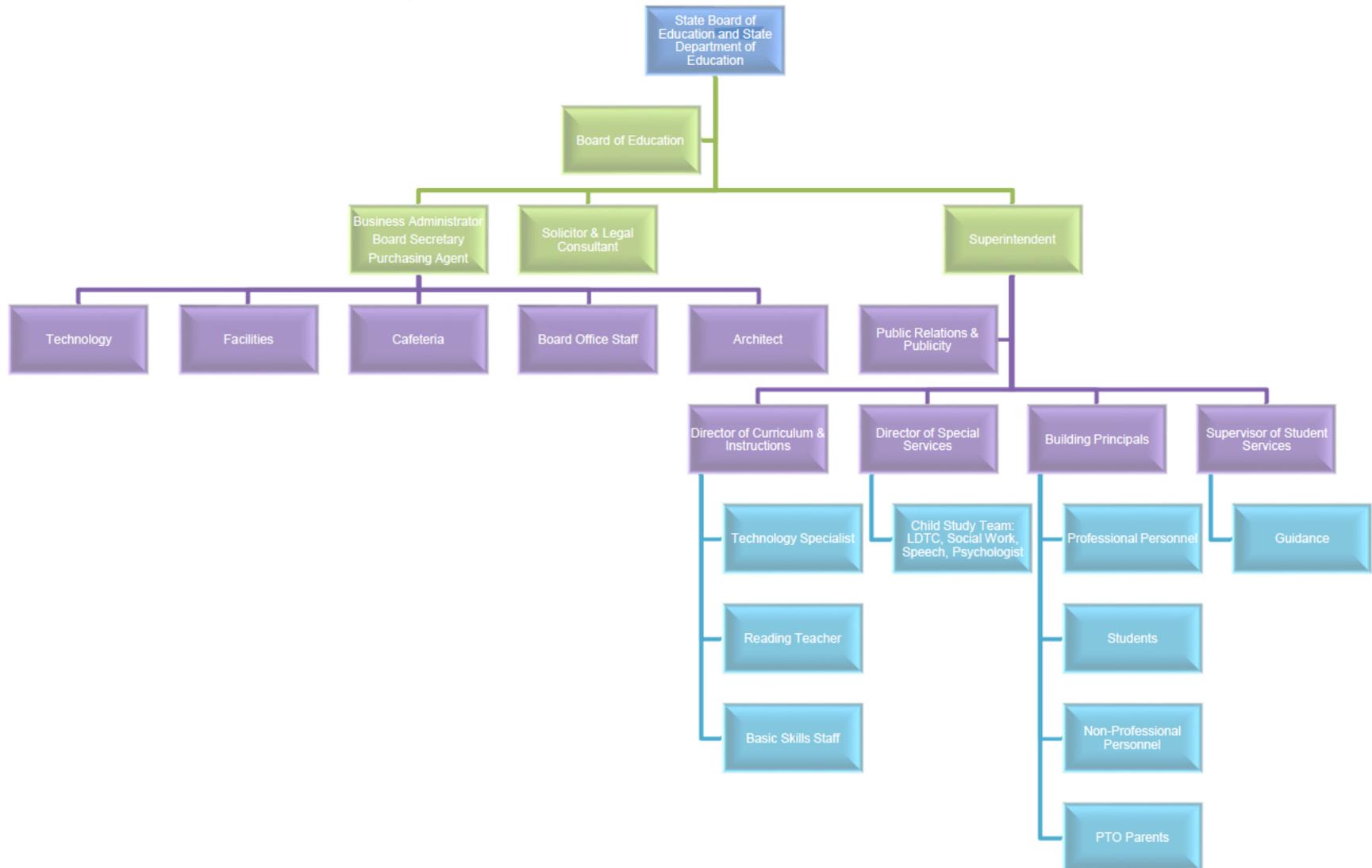


Annette Castiglione
Superintendent



Amy Capriotti
Business Administrator/Board Secretary

Bellmawr Board of Education Organization Chart



BOROUGH OF BELLMAWR SCHOOL DISTRICT
BELLMAWR, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2015

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Eric Hoban, President	2016
Jody Mangus, Vice President	2017
Christopher Concannon	2015
Michael Eckmeyer	2015
Patrick Murray	2016
Danielle Tomeo	2017
Lisa Young	2017

Other Officials

Annette Castiglione, Superintendent

Amy Capriotti, CPA, Business Administrator/Board Secretary

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

Consultants and Advisors

Architect

Garrison Architects
713 Creek Road
Bellmawr, NJ 08031

Audit Firm

Bowman & Company LLP
601 White Horse Road
Voorhees, New Jersey 08043

Insurance Agent

Conner Strong & Buckelew
40 Lake Center Executive Park
401 Route 73 North, Suite 300
PO Box 989
Marlton, NJ 08053

Attorneys

Wade, Long & Wood, LLC
1250 Chews Landing Road
Laurel Springs, NJ 08021

Official Depositories

1st Colonial Community Bank
321 Broadway
Westville, NJ 08093

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Borough of Bellmawr School District
Bellmawr, New Jersey 08031

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Bellmawr 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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the 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 Division of Administration and Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Bellmawr 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 fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Principles

As discussed in note 1 to the financial statements, during the fiscal year ended June 30, 2015, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Prior Period Restatement

Because of the implementation of GASB Statements No. 68 and No. 71, net position as of June 30, 2014 on the statement of activities has been restated, as discussed in note 24 to the financial statements. Our 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, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, and schedule of School District contributions 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Bellmawr 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 Circular 15-08-OMB, *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 basic financial statements.

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

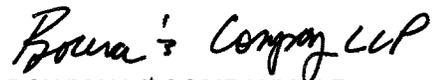
The introductory section and statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

20500

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2015 on our consideration of the Borough of Bellmawr School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Bellmawr School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Scott P. Barron
Certified Public Accountant
Public School Accountant No. CS 02459

Voorhees, New Jersey
December 9, 2015

**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
Borough of Bellmawr School District
Bellmawr, New Jersey 08031

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement 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 Division of Administration and 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 Borough of Bellmawr 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, and have issued our report thereon dated December 9, 2015. Our report on the financial statements included an emphasis of matter paragraph describing the restatement of the prior period financial statements resulting from the adoption of the new accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough of Bellmawr 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 our 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, we do not express an opinion on the effectiveness of the Borough of Bellmawr 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.

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

Compliance and Other Matters

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

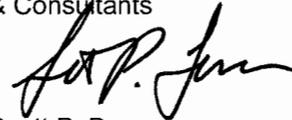
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 Division of Administration and Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Scott P. Barron
Certified Public Accountant
Public School Accountant No. CS 02459

Voorhees, New Jersey
December 9, 2015

REQUIRED SUPPLEMENTARY INFORMATION
PART I

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Management's Discussion and Analysis

Fiscal Year Ended June 30, 2015

(Unaudited)

As management of the Borough of Bellmawr School District (hereafter referred to as the "School District"), we offer readers of the School District's annual financial report this narrative overview and analysis of the financial activities for the fiscal year that ended on June 30, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the information furnished in our letter of transmittal, notes to the basic financial statements, and financial statements to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34- Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current fiscal year (2014-15) and the prior fiscal year (2013-14) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- During the fiscal year ended June 30, 2015, the School District was required to implement Governmental Accounting Standard Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, see discussion below. In addition, the notes to the financial statements provide a more thorough discussion of the implementation of GASB 68 and GASB 71 and the effects on the financial statements.
- The net position of the School District, which represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources, totaled \$3,294,146.29 at the close of the current fiscal year. Of this amount, \$2,943,146.22 represents net position of governmental activities and \$351,000.07 for Business-Type activities. At June 30, 2014, as restated, these were \$2,424,252.18 and \$269,187.54 respectively.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$2,491,980.29, an increase of \$547,473.36, in comparison with the prior fiscal year combined ending fund balances which were \$1,944,506.93.
- During the fiscal year, the School District began a capital project for an early childhood addition to the Bellmawr Park School and appropriated \$2,755,896.00. The project was funded by capital reserve in the amount of \$1,730,159.00, a capital lease in the amount of \$300,000.00 and funding from the State of New Jersey Regular Operating District Grant in the amount of \$725,737.00 of which \$72,573.70 of the grant has been realized as of June 30, 2015. At the close of the current fiscal year, the fund balance in the capital projects fund is \$1,695,443.05 representing the balance of this uncompleted project.
- For the fiscal year ended June 30, 2015, the School District fully implemented its before and after school program, Child-Centered Activities Reinforcing Excellence (C.A.R.E.) which began in limited capacity during the prior fiscal year. This enterprise fund, which is included in the Business-Type activities, had an ending net position of \$105,087.12, an increase of \$104,532.18 over the net position at June 30, 2014 of \$554.94.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

This comprehensive annual financial report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the School District as a whole and present a longer-term view of the School District's finances. Fund financial statements for the governmental activities tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the School District's operations in more detail than the government-wide statements by providing information about the School District's most significant funds.

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

Reporting the School District as a Whole

One of the most important questions asked about the School District's finances is, "Is the School District as a whole better off or worse off as a result of the fiscal year's activities?" The statement of net position and the statement of activities report information about the School District as a whole and about its activities in a way that helps answer this question.

These statements include *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current fiscal year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School District's *net position* and changes in it. You can think of the School District's net position - which represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources - as one way to measure the School District's financial health, or *financial position*. Over time, *increases or decreases* in the School District's net position is one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the School District's property tax base and the condition of the School District's capital assets, to assess the *overall health* of the School District.

Reporting the School District's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds, not the School District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

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

The School District adopts an annual budget for its general fund, special revenue fund, and debt service fund. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

Reporting the School District's Most Significant Funds (Cont'd)

Proprietary Funds - The School District maintains one type of proprietary fund; that being an enterprise fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The School District uses an enterprise fund to account for its food service and childcare programs.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the food service and childcare programs, which are all considered to be major funds.

Fiduciary 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 government-wide financial statements because the resources of those funds are *not* available to support the School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements - the notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

THE SCHOOL DISTRICT AS A WHOLE

During fiscal year 2015, the School District's net position increased by \$600,706.57, increasing from \$2,693,439.72, as restated, in fiscal year 2014 to \$3,294,146.29 in fiscal year 2015. The analysis that follows focuses on the net position (Table A-1 and A-2) and changes in net position (Table A-3) of the School District's governmental activities and business-type activities.

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current and Other Assets	\$ 2,616,078.63	\$ 2,535,516.63	\$ 251,147.44	\$ 189,277.86	\$ 2,867,226.07	\$ 2,724,794.49
Capital Assets	8,109,935.87	7,985,992.65	100,661.45	79,909.68	8,210,597.32	8,065,902.33
Total Assets	<u>10,726,014.50</u>	<u>10,521,509.28</u>	<u>351,808.89</u>	<u>269,187.54</u>	<u>11,077,823.39</u>	<u>10,790,696.82</u>
Deferred Outflow of Resources - Related to Pensions	584,029.00				584,029.00	
Long-term Liabilities	7,815,511.78	4,472,530.16			7,815,511.78	4,472,530.16
Other Liabilities	360,086.50	705,472.94	808.82		360,895.32	705,472.94
Total Liabilities	<u>8,175,598.28</u>	<u>5,178,003.10</u>	<u>808.82</u>	<u>-</u>	<u>8,176,407.10</u>	<u>5,178,003.10</u>
Deferred Inflows of Resources - Related to Pensions	191,299.00				191,299.00	
Net Position:						
Net Investment in Capital Assets	4,460,737.45	4,502,141.62	100,661.45	79,909.68	4,561,398.90	4,582,051.30
Restricted	1,863,302.19	1,754,071.23			1,863,302.19	1,754,071.23
Unrestricted (Deficit)	<u>(3,380,893.42)</u>	<u>(912,706.67)</u>	<u>250,338.62</u>	<u>189,277.86</u>	<u>(3,130,554.80)</u>	<u>(723,428.81)</u>
Restatement to Record the School District's Net Pension Liability and Pension Related						
Deferred Outflows of Resources per GASB 68		(2,919,254.00)				(2,919,254.00)
Total Net Position	<u>\$ 2,943,146.22</u>	<u>\$ 2,424,252.18</u>	<u>\$ 351,000.07</u>	<u>\$ 269,187.54</u>	<u>\$ 3,294,146.29</u>	<u>\$ 2,693,439.72</u>

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

THE SCHOOL DISTRICT AS A WHOLE (CONT'D)

Table A-2 provides an illustration of the impact of the School District's Net Position for the implementation of GASB 68.

**Table A-2
Statement of Net Position - Effect of Pension Related Items**

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflow s Related to Pensions	\$ 584,029.00		\$ 584,029.00	100.00%
Less: Net Pension Liability	(3,210,015.00)	\$ (2,919,254.00)	(290,761.00)	9.96%
Less: Deferred Inflow s Related to Pensions	(191,299.00)		(191,299.00)	-100.00%
	<u>\$ (2,817,285.00)</u>	<u>\$ (2,919,254.00)</u>	<u>\$ 101,969.00</u>	<u>9.96%</u>

In total, assets increased by \$287,126.57. The overall cash position of the School District increased by \$908,093.34 from June 30, 2014 as a result of fiscal year 2015 operations of governmental activities and business-type activities. Deferred outflows increased \$584,029.00 as a result of the School District's implementation of GASB 68 for its participation in various pension plans. In addition, during the fiscal year 2015, capital assets (net) increased by \$144,694.99 as a result of the expenditures that included construction in progress on the previously mentioned early childhood addition.

Overall liabilities increased by \$134,170.42. The main contributor to the increase resulted from a net increase in long-term debt of \$132,966.62 as a result of two new capital leases \$463,280.00 and budgeted payments on capital leases (\$118,084.88) and bonds (\$175,000.00).

Deferred inflows of resources increased by \$191,299.00 as a result of the School District's implementation of GASB 68 for its participation in various pension plans.

The largest portion, or 138%, of the School District's total net position at the end of the current fiscal year reflects its net investment in capital assets (i.e., land, buildings, equipment, etc.), which totaled \$4,561,398.90. This component represents capital assets, net of accumulated depreciation, and net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets. The School District uses these assets to provide educational services to students and to carry out the operations of the business-type activities; consequently, these assets are not available for future spending. Although the School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional component of the School District's net position, or (57%), represents resources that are restricted, which totaled \$1,863,302.19. These amounts consist of amounts restricted for capital reserve and capital projects.

The third and final component of net position is unrestricted. This component represents resources and uses that do not meet the criteria of the aforementioned two components of net position. At the end of the current fiscal year, the School District's unrestricted net position was a deficit of (\$3,380,893.42), or -95%.

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

THE SCHOOL DISTRICT AS A WHOLE (CONT'D)

Table A-3 reflects changes in net position for fiscal years 2015 and 2014.

Table A-3

Change in Net Position

Governmental and Business-Type Activities

For the Fiscal Years Ended June 30, 2015 and 2014

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues						
Program revenues:						
Charges for services			\$ 399,914.76	\$ 232,799.49	\$ 399,914.76	\$ 232,799.49
Operating Grants and Contributions	\$ 4,210,991.49	\$ 2,454,010.61	357,472.76	324,406.58	4,568,464.25	2,778,417.19
General revenues:						
Property Taxes:						
Levied for General Purposes	8,549,034.00	8,063,489.00			8,549,034.00	8,063,489.00
Levied for Debt Service	339,264.00	146,500.00			339,264.00	146,500.00
Federal and State Aid not Restricted	5,228,515.93	5,180,479.28			5,228,515.93	5,180,479.28
Federal and State Aid Restricted	72,573.70	18,295.89			72,573.70	18,295.89
Contributions - Capital Assets		2,638.00				2,638.00
Unrestricted Investment Earnings	2,604.15	4,265.21	508.71	353.07	3,112.86	4,618.28
Restricted Investment Earnings	4,390.21	4,008.05			4,390.21	4,008.05
Miscellaneous Income	68,177.59	153,670.71			68,177.59	153,670.71
Total revenues	18,475,551.07	16,027,356.75	757,896.23	557,559.14	19,233,447.30	16,584,915.89
Expenses						
Instruction:						
Regular	\$ 5,499,011.86	\$ 5,117,185.35			\$ 5,499,011.86	\$ 5,117,185.35
Special Education	1,264,906.23	1,377,980.58			1,264,906.23	1,377,980.58
Other Special Instruction	198,793.83	150,037.60			198,793.83	150,037.60
Other Instruction	244,949.36	220,083.85			244,949.36	220,083.85
Support Services:						
Tuition	585,212.38	754,940.27			585,212.38	754,940.27
Student and Instruction Related Services	1,677,189.00	1,691,307.10			1,677,189.00	1,691,307.10
School Administrative Services	438,302.12	423,733.87			438,302.12	423,733.87
Other Administrative Services	636,359.05	718,620.53			636,359.05	718,620.53
Plant Operations and Maintenance	1,641,228.86	1,743,605.18			1,641,228.86	1,743,605.18
Pupil Transportation	346,858.65	374,924.74			346,858.65	374,924.74
Transfer to Charter Schools	60,153.00	46,281.00			60,153.00	46,281.00
Unallocated Benefits	5,256,823.28	3,927,223.28			5,256,823.28	3,927,223.28
Interest on Long-Term Debt	106,869.41	118,129.95			106,869.41	118,129.95
Childcare			\$ 149,511.36	\$ 13,048.86	149,511.36	13,048.86
Food Services			526,572.34	486,312.26	526,572.34	486,312.26
Total Expenses	17,956,657.03	16,664,053.30	676,083.70	499,361.12	18,632,740.73	17,163,414.42
Net Increase/Decrease in Net Position	\$ 518,894.04	\$ (636,696.55)	\$ 818,12.53	\$ 58,198.02	\$ 600,706.57	\$ (578,498.53)
Beginning Net Position	2,424,252.18	5,980,202.73	269,187.54	210,989.52	2,693,439.72	6,191,192.25
Ending Net Position, Prior to Restatement	2,943,146.22	5,343,506.18	351,000.07	269,187.54	3,294,146.30	5,612,693.72
Restatement to Record the School District's Net Pension Liability and Pension Related Deferred Outflows of Resources per GASB 68		(2,919,254.00)				(2,919,254.00)
	\$ 2,943,146.22	\$ 2,424,252.18	\$ 351,000.07	\$ 269,187.54	\$ 3,294,146.30	\$ 2,693,439.72

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

THE SCHOOL DISTRICT AS A WHOLE (CONT'D)

During fiscal year 2015, the School District's total revenues increased by \$2,648,531.41, increasing from \$16,584,915.89 in fiscal year 2014 to \$19,233,447.30 in fiscal year 2015. The net increase in total revenues is largely attributable to the following:

- The School District fully implemented its before and after school program, Child-Centered Activities Reinforcing Excellence (C.A.R.E.) which began in limited capacity during the prior fiscal year. Charges for services in the Business-Type activities had a net increase \$167,115.27. This net increase was an increase of \$240,295.99 from this program and a decrease of (\$73,180.72) in food services due to the School District no longer providing meals for another School District.
- Property taxes increased by \$678,309.00 to cover the costs associated with the payment of long-term debt in the form of bonds and capital leases.

The largest concentration of total revenues of the School District for fiscal year 2015 consisted of property taxes, which represented 46% of total revenues, followed by unrestricted federal and state aid 27%, operating grants 24%, restricted state and federal aid .4% and other miscellaneous revenues .4%. Charges for services resulted from the sales of food and the provision of childcare services generated by the business-type activities were 2% of total revenues. Governmental activities rely heavily on federal and state aid and property taxes, 99.6%, to fund general operations.

During fiscal year 2015, the School District's total expenses increased by \$1,469,326.31, increasing from \$17,163,414.42 in fiscal year 2014 to \$18,632,740.73 in fiscal year 2015. The net increase in total expenses is attributable to a net increase of expenses incurred for instruction \$342,373.90, a net decrease for support services including tuition, employee benefits and plant operations (\$381,981.63) and a net increase for expenditures in the business-type activities mainly from the full operation of the childcare program \$136,462.50 and food services \$40,260.08.

The net cost of governmental activities is shown in Table A-4.

**Table A-4
Net Cost of Governmental Activities**

Governmental Activities:	Source	2015		2014	
		Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction:					
Regular	A-2	5,499,011.86	4,471,349.44	\$ 5,117,185.35	\$ 4,116,608.45
Special Education	A-2	1,264,906.23	1,264,906.23	1,377,980.58	1,377,980.58
Other Special Instruction	A-2	198,793.83	198,793.83	150,037.60	150,037.60
Other Instruction	A-2	244,949.36	244,949.36	220,083.85	220,083.85
Support Services:					
Tuition	A-2	585,212.38	585,212.38	754,940.27	754,940.27
Student and Instruction Related Services	A-2	1,677,189.00	1,499,907.93	1,691,307.10	1,553,600.72
School Administrative Services	A-2	438,302.12	438,302.12	423,733.87	423,733.87
Other Administrative Services	A-2	636,359.05	636,359.05	718,620.53	718,620.53
Plant Operations and Maintenance	A-2	1,641,228.86	1,641,228.86	1,743,605.18	1,743,605.18
Pupil Transportation	A-2	346,858.65	346,858.65	374,924.74	374,924.74
Transfer to Charter Schools	A-2	60,153.00	60,153.00	46,281.00	46,281.00
Unallocated Benefits	A-2	5,256,823.28	2,250,775.28	3,927,223.28	2,612,873.06
Interest on Long-Term Debt	A-2	106,869.41	106,869.41	118,129.95	116,752.84
Total Governmental Activities		\$17,956,657.03	\$13,745,665.54	\$16,664,053.30	\$14,210,042.69

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

THE SCHOOL DISTRICT'S FUNDS

Governmental Funds

As the School District completed the fiscal year, its governmental funds reported a *combined* fund balance of \$2,491,980.29, which is greater than last fiscal year's total of \$1,944,506.93. Of the aforementioned combined ending fund balances, an unassigned deficit fund balance existed in the amount of (\$75,117.00). The remainder of fund balance is restricted or assigned to indicate that it is not available for new spending because it has already been earmarked as follows: (1) restricted for capital reserve (\$167,859.14), (2) restricted for a project in the capital projects fund, (3) restricted for debt service \$.70, (4) assigned to liquidate contracts and purchase orders from fiscal year 2015 \$455,299.44, and (5) assigned to the fiscal year 2016 budget for subsequent year's expenditures \$248,494.96.

General Fund - The general fund is the general operating fund of the School District and is used to account for the inflows and outflows its of financial resources. The acquisition of certain capital assets, such as equipment, is accounted for in the general fund when it is responsible for the financing of such expenditures. At the end of the current fiscal year, the School District has no unassigned fund balance in the general fund as a result of the delay of the June state aid payments as explained in Note 1 Summary of Significant Accounting Policies.

During the current fiscal year, the fund balance of the School District's general fund decreased by \$1,131,873.66. The primary factor affecting the fund balance of the general fund is as follows:

- The School District utilized \$1,730,159.00 of its capital reserve to partially fund the local share of a capital project of which the School District received a Regular Operating District Grant.
- Total revenues (Table A-5) increased from fiscal year 2014 by \$649,206.52; the revenue sources primarily contributing to the increase were local property taxes (increase of \$485,545.00) and state sources (increase of \$221,433.54).
- Total expenditures (Table A-6) decreased from fiscal year 2014 by \$277,053.98; the expenditures that contributing to the decrease were employee benefits and tuition, which decreased by \$441,892.62 and \$169,727.89, respectively. In addition instruction expenditures increased \$343,491.53.

**Table A-5
Summary of General Fund Revenues**

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
REVENUES				
Local Sources				
Local Tax Levy	\$ 8,549,034.00	\$ 8,063,489.00	\$ 485,545.00	6.0%
Miscellaneous	75,171.95	161,943.97	(86,772.02)	-53.6%
Total Local Sources	<u>8,624,205.95</u>	<u>8,225,432.97</u>	<u>398,772.98</u>	<u>-47.6%</u>
Federal Sources	56,114.43	27,364.53	28,749.90	105.1%
State Sources	6,571,392.88	6,349,709.24	221,683.64	3.5%
Total Governmental Sources	<u>6,627,507.31</u>	<u>6,377,073.77</u>	<u>250,433.54</u>	<u>108.6%</u>
Total General Fund Revenues	<u>\$15,251,713.26</u>	<u>\$14,602,506.74</u>	<u>\$ 649,206.52</u>	<u>61.0%</u>

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

THE SCHOOL DISTRICT'S FUNDS (CONT'D)

Governmental Funds (Cont'd)

General Fund (Cont'd)

**Table A-6
Summary of General Fund Expenditures**

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Current:				
Regular Instruction	\$ 4,450,637.82	\$ 4,084,893.68	\$ 365,744.14	9.0%
Special Education Instruction	1,269,306.23	1,363,080.58	(93,774.35)	-6.9%
Basic Skills Remedial Instruction	58,386.83	67,215.49	(8,828.66)	-13.1%
Bilingual Education Instruction	138,457.00	83,022.11	55,434.89	66.8%
School Sponsored Extra Curricular Activities Instruction	50,092.55	41,957.34	8,135.21	19.4%
School Sponsored Athletics Instruction	41,286.04	37,821.62	3,464.42	9.2%
Before and After School Programs	26,097.95	33,537.88	(7,439.93)	-22.2%
Summer School	39,624.37	29,715.13	9,909.24	33.3%
Other Supplemental At Risk Programs	85,919.39	76,084.38	9,835.01	12.9%
Community Service Programs	1,279.06	267.50	1,011.56	378.2%
Support Services and Undistributed Costs:				
Tuition	585,212.38	754,940.27	(169,727.89)	-22.5%
Student and Instruction Related Services	1,511,707.93	1,561,850.72	(50,142.79)	-3.2%
School Administrative Services	433,040.12	419,483.87	13,556.25	3.2%
Other Administrative Services	607,001.75	592,737.99	14,263.76	2.4%
Plant Operations and Maintenance	1,215,463.75	1,313,416.98	(97,953.23)	-7.5%
Pupil Transportation	346,858.65	374,924.74	(28,066.09)	-7.5%
Unallocated Benefits	2,208,759.05	2,650,651.67	(441,892.62)	-16.7%
TPAF Pension and Social Security	1,398,991.38	1,196,594.49	202,396.89	16.9%
Transfer to Charter Schools	60,153.00	46,281.00	13,872.00	30.0%
Capital Outlay	288,432.67	365,284.46	(76,851.79)	-21.0%
	<u>\$ 14,816,707.92</u>	<u>\$ 15,093,761.90</u>	<u>\$ (277,053.98)</u>	<u>460.7%</u>

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources, such as state or federal government grants, that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Fiscal year 2015 activity resulted from the School District administering and operating programs funded by the following federal awards: Title I, Part A; Title II, Part A, Improving Teacher Quality; I.D.E.A. Part B, Basic and Preschool and state financial assistance: Preschool Education Aid. Total revenues were \$1,369,554.11 and total expenditures were \$1,385,650.61 from these programs which are comparable to the revenues and expenditures of the previous fiscal year of \$1,256,039.01 and \$1,276,372.31 respectively.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures 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, 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, from capital leases or from the general fund by way of transfers from capital outlay or the capital reserve account.

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

THE SCHOOL DISTRICT'S FUNDS (CONT'D)

Governmental Funds (Cont'd)

Capital Projects Fund (Cont'd)

For the fiscal year ended June 30, 2015, the School District had revenues and other financing sources that totaled \$2,102,732.70 from capital reserve \$1,730,159.00, a capital lease \$300,000.00 and a Regular Operating District Grant from the New Jersey Economic Development Authority for \$725,737.00 of which the amount realized in the fiscal year ended June 30, 2015 was \$72,573.70. There were expenditures in the amount of \$407,289.65 for the Bellmawr Park School Early Childhood Addition.

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. For the current fiscal year, the School District expended \$175,000.00 and \$164,263.53 representing the payment of principal, and interest, respectively. At the end of the current fiscal year, restricted fund balance of the debt service fund was \$.70.

Proprietary Funds

Food Service Fund - as the School District completed the fiscal year, the School District's total net position of the food service fund was \$245,912.95, which was comprised of \$100,661.45 of net investment in capital assets and \$145,251.50 of unrestricted net position. During the fiscal year, the net position of the food service fund decreased by \$22,719.65.

Child-Centered Activities Reinforcing Excellence (C.A.R.E.) Fund - as the School District completed the fiscal year, the School District's total net position of this fund, known as the Before and Aftercare Program in the prior year was \$105,087.12. This was entirely an unrestricted net position.

During the current fiscal year, the net position of C.A.R.E. increased by \$104,532.18. The primary factors affecting the net position of C.A.R.E. are as follows:

- Total operating revenues increased by \$240,295.99 from \$13,595.27 in the prior fiscal year to \$253,891.26, primarily resulting from the program being fully implemented during the fiscal year.
- The non-operating revenues interest income was \$152.28. In 2014, the School District's non-operating revenue was \$8.53 from interest income.
- Total operating expenses increase by \$136,462.50 from \$13,048.86 in 2014 to \$149,511.36 in 2015, the program's first year of full implementation.

General Fund Budgetary Highlights

During the fiscal year, the School District had a budget modification for a reduction in School Choice Aid and for the appropriation of Capital Reserve to fund the local share of a state funded capital project.

The final budgetary basis revenue estimate was \$13,735,506.00, a reduction of \$20,018.00 over the original budgeted estimate. Total budgeted revenues realized equaled \$15,264,215.76, which was \$1,528,709.76 in excess of the budget estimate, thus replenishing fund balance. This excess was directly attributable to the School District's on-behalf T.P.A.F. pension contributions (normal cost and post-retirement medical) and reimbursed T.P.A.F. social security contributions, which totaled \$891,781.00 and \$507,210.38, respectively, the realization of \$55,671.95 of unrestricted miscellaneous revenues, the realization of other state sources which totaled \$34,312.00 and the realization from federal sources of \$39,734.43 that were not budgeted.

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

THE SCHOOL DISTRICT'S FUNDS (CONT'D)

Governmental Funds (Cont'd)

General Fund Budgetary Highlights (Cont'd)

The final budgetary basis expenditure appropriation estimate was \$14,175,968.00, which is a decrease of \$20,018.00 over the original budgeted estimate. In addition, the budget was modified for other financing uses to transfer capital reserve in the amount of \$1,730,159.00 to the Capital Projects Fund. Actual expenditures not including the other financing use were \$14,821,098.13 and in excess of the final budget estimate by \$645,130.13. Since expenditures include the amounts recorded for T.P.A.F. social security contributions and T.P.A.F. pension contributions mentioned under revenue above which are not budgeted, this excess is not an overexpenditure of any appropriations.

Special Revenue Fund Budgetary Highlights

Differences between the original budget and the final modified budget totaled \$113,664.00 (increase in budgeted revenues and appropriations). The modifications resulted from approved increases in federal awards which were not known at the time the annual budget was adopted at the school board public hearing.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The School District's capital asset balance for its governmental and business-type activities as of June 30, 2015 amounted to a historical cost of \$13,175,776.40, or \$8,210,597.32 net of accumulated depreciation (see Table A-6). This balance of capital assets includes land, construction in progress, land improvements, buildings and building improvements, and equipment. Net capital assets increased by \$144,694.99 in fiscal year 2015 from fiscal year 2014.

Table A-7
Capital Assets (Net of Accumulated Depreciation)
As of June 30, 2015 and 2014

	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 841,418.00	\$ 841,418.00			\$ 841,418.00	\$ 841,418.00
Construction in Progress	407,289.65				407,289.65	
Buildings & Bldg Improvements	9,285,428.66	9,279,036.36			9,285,428.66	9,279,036.36
Land Improvements	919,540.91	919,540.91			919,540.91	919,540.91
Equipment	<u>1,516,428.46</u>	<u>1,270,808.08</u>	<u>\$ 205,670.72</u>	<u>\$ 172,557.72</u>	<u>1,722,099.18</u>	<u>1,443,365.80</u>
Total Capital Assets	<u>12,970,105.68</u>	<u>12,310,803.35</u>	<u>205,670.72</u>	<u>172,557.72</u>	<u>13,175,776.40</u>	<u>12,483,361.07</u>
Less: Accumulated Depreciation	<u>(4,860,169.81)</u>	<u>(4,324,810.70)</u>	<u>(105,009.27)</u>	<u>(92,648.04)</u>	<u>(4,965,179.08)</u>	<u>(4,417,458.74)</u>
Net Capital Assets	<u>\$ 8,109,935.87</u>	<u>\$ 7,985,992.65</u>	<u>\$ 100,661.45</u>	<u>\$ 79,909.68</u>	<u>\$ 8,210,597.32</u>	<u>\$ 8,065,902.33</u>

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CONT'D)

CAPITAL ASSET AND DEBT ADMINISTRATION (CONT'D)

The primary factors affecting the net increase in net capital assets are as follows:

- The School District began a capital project of an early childhood addition and expenditure resulting in construction in progress were \$407,289.65.
- A capital lease for computer equipment in the amount of \$163,280.00 was among the increases in capital assets for the fiscal year.
- Combined depreciation expense for governmental and business-type activities were \$547,720.34 for the fiscal year.

Additional information on the School District's capital assets can be found in note 7.

Long-term Debt

General Obligation Bonds. At the end of the current fiscal year, the School District had \$3,055,898.00 in general obligation bonds outstanding, a decrease of \$175,000.00 from last fiscal year – as shown in Table A-8. There is a premium associated with a 2013 bond issuance with a balance at June 30, 2015 of \$87,259.13 which is being amortized over the life of the bonds.

Capital Leases. At the end of the current fiscal year, the School District had capital leases totaling \$506,041.29 outstanding, an increase of \$345,195.12 from last fiscal year – as shown in Table A-8.

Compensated Absences. At the end of the current fiscal year, the School Districts had a \$956,298.36 liability for compensated absences, a decrease of \$32,380.77 from last fiscal year – as shown in Table A-8. This liability represents the School District's contractual obligation to compensate employees for accumulated unused sick leave entitlements upon retirement.

**Table A-8
Long Term Debt Schedule
As of June 30, 2015 and 2014**

	Balance at		Increase
	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>(Decrease)</u>
General Obligation Bonds	\$3,055,989.00	\$3,230,898.00	\$ (174,909.00)
Premium on Bonds Issued	87,259.13	92,106.86	(4,847.73)
Capital Leases	506,041.29	160,846.17	345,195.12
Compensated Absences	956,298.36	988,679.13	(32,380.77)
	<u> </u>	<u> </u>	<u> </u>
Total Balances	<u>\$4,605,587.78</u>	<u>\$4,472,530.16</u>	<u>\$ 133,057.62</u>

**Borough of Bellmawr School District
Management's Discussion and Analysis (continued)
Fiscal Year Ended June 30, 2015
(Unaudited)**

THE FUTURE OUTLOOK

The Bellmawr School District is presently in a strong financial condition. However, the future financing of public schools in the State of New Jersey is becoming very unpredictable and unsettling. This was demonstrated in recent years by the withholding of one or more state aid payment until after the close of the fiscal year, the State refusing to fully fund the educational formulas created by law imposing more unfunded mandates.

The over-reliance on property taxes to support the schools in Bellmawr is a concern faced by the Board of Education and Administration each year. The School District has been committed to financial excellence for many years. The School District's system for financial planning, budgeting and internal controls are well regarded. The School District is committed to continuing its sound fiscal management to meet the challenges of the future.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives.

If you have questions about this report or need additional financial information, contact the School Business Administrator/Board Secretary at Bellmawr Board of Education, 256 Anderson Avenue, Bellmawr, New Jersey 08031.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

BOROUGH OF BELLMAWR 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	\$ 453,202.05	\$ 171,174.64	\$ 624,376.69
Accounts Receivable (Note 5)	299,573.69	69,078.09	368,651.78
Inventory (Note 3)		10,894.71	10,894.71
Restricted Assets:			
Restricted Cash and Cash Equivalents	1,695,443.75		1,695,443.75
Capital Reserve Cash	167,859.14		167,859.14
Capital Assets, net (Note 6)	<u>8,109,935.87</u>	<u>100,661.45</u>	<u>8,210,597.32</u>
Total Assets	<u>10,726,014.50</u>	<u>351,808.89</u>	<u>11,077,823.39</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Penions (Note 10)	<u>584,029.00</u>		<u>584,029.00</u>
LIABILITIES:			
Accounts Payable	268,047.39	808.82	268,856.21
Accrued Interest Payable	54,885.16		54,885.16
Unearned Revenue	37,153.95		37,153.95
Noncurrent Liabilities (Note 7):			
Due within One Year	441,886.79		441,886.79
Due beyond One Year	<u>7,373,624.99</u>		<u>7,373,624.99</u>
Total Liabilities	<u>8,175,598.28</u>	<u>808.82</u>	<u>8,176,407.10</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Penions (Note 10)	<u>191,299.00</u>		<u>191,299.00</u>
NET POSITION:			
Net Investment in Capital Assets	4,460,737.45	100,661.45	4,561,398.90
Restricted for:			
Other Purposes	167,859.14		167,859.14
Capital Projects	1,695,443.05		1,695,443.05
Debt Service			
Unrestricted (Deficit)	<u>(3,380,893.42)</u>	<u>250,338.62</u>	<u>(3,130,554.80)</u>
Total Net Position	<u>\$ 2,943,146.22</u>	<u>\$ 351,000.07</u>	<u>\$ 3,294,146.29</u>

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

BOROUGH OF BELLMAWR 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 Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:							
Instruction:							
Regular	\$ 5,499,011.86		\$ 1,027,662.42		\$ (4,471,349.44)		\$ (4,471,349.44)
Special Education	1,264,906.23				(1,264,906.23)		(1,264,906.23)
Other Special Instruction	198,793.83				(198,793.83)		(198,793.83)
Other Instruction	244,949.36				(244,949.36)		(244,949.36)
Support Services:							
Tuition	585,212.38				(585,212.38)		(585,212.38)
Student and Instruction Related Services	1,677,189.00		177,281.07		(1,499,907.93)		(1,499,907.93)
School Administrative Services	438,302.12				(438,302.12)		(438,302.12)
Other Administrative Services	636,359.05				(636,359.05)		(636,359.05)
Plant Operations and Maintenance	1,641,228.86				(1,641,228.86)		(1,641,228.86)
Pupil Transportation	346,858.65				(346,858.65)		(346,858.65)
Transfer to Charter Schools	60,153.00				(60,153.00)		(60,153.00)
Unallocated Benefits	5,256,823.28		3,006,048.00		(2,250,775.28)		(2,250,775.28)
Interest on Long-Term Debt	106,869.41				(106,869.41)		(106,869.41)
Total Governmental Activities	17,956,657.03		4,210,991.49		(13,745,665.54)		(13,745,665.54)
Business-Type Activities:							
Food Service	526,572.34	\$ 146,023.50	357,472.76			\$ (23,076.08)	(23,076.08)
Child-Centered Activities Reinforcing Excellence (C.A.R.E.)	149,511.36	253,891.26				104,379.90	104,379.90
Total Business-Type Activities	676,083.70	399,914.76	357,472.76			81,303.82	81,303.82
Total Primary Government	\$ 18,632,740.73	\$ 399,914.76	\$ 4,568,464.25	\$ -	(13,745,665.54)	81,303.82	(13,664,361.72)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					8,549,034.00		8,549,034.00
Taxes Levied for Debt Service					339,264.00		339,264.00
Federal and State Aid not Restricted					5,228,515.93		5,228,515.93
Federal and State Aid Restricted					72,573.70		72,573.70
Unrestricted Investment Earnings					2,604.15	508.71	3,112.86
Restricted Investment Earnings					4,390.21		4,390.21
Miscellaneous Income					68,177.59		68,177.59
Total General Revenues, Special Items, Extraordinary Items and Transfers					14,264,559.58	508.71	14,265,068.29
Change in Net Position					518,894.04	81,812.53	600,706.57
Net Position, July 1					5,343,506.18	269,187.54	5,612,693.72
Prior Period Adjustment (Note 24)					(2,919,254.00)		(2,919,254.00)
Net Position - July 1 (Restated)					2,424,252.18	269,187.54	2,693,439.72
Net Position, June 30					\$ 2,943,146.22	\$ 351,000.07	\$ 3,294,146.29

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

FUND FINANCIAL STATEMENTS

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Balance Sheet
 Governmental Funds
 June 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS:					
Cash and Cash Equivalents	\$ 553,745.92		\$ 1,695,443.05	\$ 0.70	\$ 2,249,189.67
Capital Reserve Cash	167,859.14				167,859.14
Accounts Receivable - Other	41,172.42				41,172.42
Intergovernmental Accounts Receivable:					
State	99,612.92				99,612.92
Federal	17,470.51	\$ 109,925.00			127,395.51
Other	31,392.84				31,392.84
Total Assets	<u><u>\$ 911,253.75</u></u>	<u><u>\$ 109,925.00</u></u>	<u><u>\$ 1,695,443.05</u></u>	<u><u>\$ 0.70</u></u>	<u><u>\$ 2,716,622.50</u></u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Cash Deficit		\$ 100,543.87			\$ 100,543.87
Accounts Payable	\$ 39,341.34	47,344.18			86,685.52
Interfunds Account Payable:					
Trust and Agency Fund	258.87				258.87
Unearned Revenue		37,153.95			37,153.95
Total Liabilities	<u><u>39,600.21</u></u>	<u><u>185,042.00</u></u>			<u><u>224,642.21</u></u>

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Balance Sheet
 Governmental Funds
 June 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
LIABILITIES AND FUND BALANCES (CONT'D):					
Fund Balances:					
Restricted:					
Capital Reserve	\$ 167,859.14				\$ 167,859.14
Capital Projects Fund			\$ 1,695,443.05		1,695,443.05
Debt Service Fund				\$ 0.70	0.70
Assigned:					
Subsequent Year's Expenditures	248,494.96				248,494.96
Other Purposes	455,299.44				455,299.44
Unassigned:					
Special Revenue Fund		\$ (75,117.00)			(75,117.00)
Total Fund Balances	<u>871,653.54</u>	<u>(75,117.00)</u>	<u>1,695,443.05</u>	<u>0.70</u>	<u>2,491,980.29</u>
Total Liabilities and Fund Balances	<u>\$ 911,253.75</u>	<u>\$ 109,925.00</u>	<u>\$ 1,695,443.05</u>	<u>\$ 0.70</u>	

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Balance Sheet
 Governmental Funds
 June 30, 2015

	Total Governmental <u>Funds</u>
Amounts reported for <i>governmental activities</i> 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 \$12,970,105.68 and the accumulated depreciation is \$4,860,169.81.	\$ 8,109,935.87
Deferred outflows of resources related to pensions	584,029.00
Deferred inflows of resources related to pensions	(191,299.00)
Accounts payable related to the April 1, 2016 required PERS pension contribution that is not to be liquidated with current financial resources	(181,103.00)
Accrued interest payable is not due and payable in the current period and therefore is not reported as liabilities in the funds.	(54,885.16)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(7,815,511.78)</u>
Net position of governmental activities	<u><u>\$ 2,943,146.22</u></u>

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES:					
Local Tax Levy	\$ 8,549,034.00			\$ 339,264.00	\$ 8,888,298.00
Unrestricted Miscellaneous Revenues	75,171.95				75,171.95
Federal Sources	56,114.43	\$ 661,607.00			717,721.43
State Sources	6,571,392.88	707,947.11	\$ 72,573.70		7,351,913.69
Total Revenues	15,251,713.26	1,369,554.11	72,573.70	339,264.00	17,033,105.07
EXPENDITURES:					
Current:					
Regular Instruction	4,450,637.82	1,043,758.92			5,494,396.74
Special Education Instruction	1,269,306.23				1,269,306.23
Basic Skills Remedial Instruction	58,386.83				58,386.83
Bilingual Education Instruction	138,457.00				138,457.00
School Sponsored Extra Curricular Activities Instruction	50,092.55				50,092.55
School Sponsored Athletics Instruction	41,286.04				41,286.04
Before and After School Programs	26,097.95				26,097.95
Summer School	39,624.37				39,624.37
Other Supplemental At Risk Programs	85,919.39				85,919.39
Community Service Programs	1,279.06				1,279.06
Support Services and Undistributed Costs:					
Tuition	585,212.38				585,212.38
Student and Instruction Related Services	1,511,707.93	177,281.07			1,688,989.00
School Administrative Services	433,040.12				433,040.12
Other Administrative Services	607,001.75				607,001.75
Plant Operations and Maintenance	1,215,463.75				1,215,463.75
Pupil Transportation	346,858.65				346,858.65
Unallocated Benefits	2,208,759.05	164,610.62			2,373,369.67
TPAF Pension and Social Security	1,398,991.38				1,398,991.38

(Continued)

BOROUGH OF BELLMAWR 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
EXPENDITURES (CONT'D):					
Debt Service:					
Principal				\$ 175,000.00	\$ 175,000.00
Interest and Other Charges				164,263.53	164,263.53
Transfer to Charter Schools	\$ 60,153.00				60,153.00
Capital Outlay	288,432.67		\$ 407,289.65		695,722.32
Total Expenditures	<u>14,816,707.92</u>	<u>\$ 1,385,650.61</u>	<u>407,289.65</u>	<u>339,263.53</u>	<u>16,948,911.71</u>
Excess (Deficiency) of Revenues over Expenditures	<u>435,005.34</u>	<u>(16,096.50)</u>	<u>(334,715.95)</u>	<u>0.47</u>	<u>84,193.36</u>
OTHER FINANCING SOURCES (USES):					
Proceeds from Capital Lease - Capital Projects Fund			300,000.00		300,000.00
Assets Acquired by Capital Lease - Non-Budgeted	163,280.00				163,280.00
Capital Reserve Transferred to Capital Projects Fund	(1,730,159.00)		1,730,159.00		
Total Other Financing Sources and Uses	<u>(1,566,879.00)</u>		<u>2,030,159.00</u>		<u>463,280.00</u>
Net Change in Fund Balances	<u>(1,131,873.66)</u>	<u>(16,096.50)</u>	<u>1,695,443.05</u>	<u>0.47</u>	<u>547,473.36</u>
Fund Balance, July 1	<u>2,003,527.20</u>	<u>(59,020.50)</u>		<u>0.23</u>	<u>1,944,506.93</u>
Fund Balance, June 30	<u>\$ 871,653.54</u>	<u>\$ (75,117.00)</u>	<u>\$ 1,695,443.05</u>	<u>\$ 0.70</u>	<u>\$ 2,491,980.29</u>

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

BOROUGH OF BELLMAWR 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	\$	547,473.36
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation expense	\$	(535,359.11)
School Development Authority Debt Service Assessment Expensed		(7,699.00)
Principal on Capital Lease Included in Capital Outlay		(28,720.99)
Capital outlay		<u>695,722.32</u>
		123,943.22
<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 position and is not reported in the statement of activities.</p>		
		293,084.88
<p>Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences.</p>		
		4,847.73
<p>Proceeds from the issuance of debt is an increase to fund balance in the government funds, but the receipt increases long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		(463,280.00)
<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>		
		59,578.08
<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 reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		32,380.77
<p>Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.</p>		
		<u>(79,134.00)</u>
Change in Net Position of Governmental Activities	\$	<u>518,894.04</u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-Type Activities -- Enterprise Funds		
	<u>Food Service</u>	Child-Centered Activities Reinforcing Excellence (C.A.R.E.)	<u>Totals</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 67,802.12	\$ 103,372.52	\$ 171,174.64
Accounts Receivable - Other	421.74	2,523.42	2,945.16
Intergovernmental Accounts Receivable:			
Federal	64,835.03		64,835.03
State	1,297.90		1,297.90
Inventories	10,894.71		10,894.71
Total Current Assets	<u>145,251.50</u>	<u>105,895.94</u>	<u>251,147.44</u>
Noncurrent Assets:			
Equipment	205,670.72		205,670.72
Less: Accumulated Depreciation	<u>(105,009.27)</u>		<u>(105,009.27)</u>
Total Noncurrent Assets	<u>100,661.45</u>		<u>100,661.45</u>
Total Assets	<u>245,912.95</u>	<u>105,895.94</u>	<u>351,808.89</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable		808.82	808.82
Total Liabilities		<u>808.82</u>	<u>808.82</u>
NET POSITION:			
Net Investment in Capital Assets	100,661.45		100,661.45
Unrestricted	<u>145,251.50</u>	<u>105,087.12</u>	<u>250,338.62</u>
Total Net Position	<u>\$ 245,912.95</u>	<u>\$ 105,087.12</u>	<u>\$ 351,000.07</u>

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

BOROUGH OF BELLMAWR 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		
	<u>Food Service</u>	<u>Child-Centered Activities Reinforcing Excellence (C.A.R.E.)</u>	<u>Totals</u>
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable and Non-Reimbursable Programs	\$ 138,060.67		\$ 138,060.67
Daily Sales - Vending	1,955.35		1,955.35
Special Functions	6,007.48		6,007.48
Tuition and Fees		\$ 253,891.26	253,891.26
Total Operating Revenues	<u>146,023.50</u>	<u>253,891.26</u>	<u>399,914.76</u>
OPERATING EXPENSES:			
Cost of Sales	197,560.07		197,560.07
Salaries	165,932.75	113,832.43	279,765.18
Employee Benefits	34,379.02		34,379.02
Purchased Professional Services	30,599.94		30,599.94
Other Purchased Services	53,309.19	17,844.64	71,153.83
Supplies and Materials	31,956.29	17,834.29	49,790.58
Miscellaneous	473.85		473.85
Depreciation	12,361.23		12,361.23
Total Operating Expenses	<u>526,572.34</u>	<u>149,511.36</u>	<u>676,083.70</u>
Operating Income (Loss)	<u>(380,548.84)</u>	<u>104,379.90</u>	<u>(276,168.94)</u>
NONOPERATING REVENUES:			
State Sources:			
State School Lunch Program	5,808.47		5,808.47
Federal Sources:			
National School Lunch Program	245,580.46		245,580.46
National School Breakfast Program	74,117.35		74,117.35
After School Snack Program	3,645.62		3,645.62
Food Distribution Program	28,320.86		28,320.86
Interest	356.43	152.28	508.71
Total Nonoperating Revenues	<u>357,829.19</u>	<u>152.28</u>	<u>357,981.47</u>
Change in Net Position	<u>(22,719.65)</u>	<u>104,532.18</u>	<u>81,812.53</u>
Net Position, July 1	<u>268,632.60</u>	<u>554.94</u>	<u>269,187.54</u>
Net Position, June 30	<u>\$ 245,912.95</u>	<u>\$ 105,087.12</u>	<u>\$ 351,000.07</u>

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

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

	Business-Type Activities -- Enterprise Funds		
	Food Service	Child-Centered Activities Reinforcing Excellence (C.A.R.E.)	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 162,247.76	\$ 251,577.53	\$ 413,825.29
Payments to Employees	(165,932.75)	(113,832.43)	(279,765.18)
Payments for Employee Benefits	(34,379.02)		(34,379.02)
Payments to Suppliers	(289,286.30)	(40,052.61)	(329,338.91)
Net Cash Provided by (used for) Operating Activities	<u>(327,350.31)</u>	<u>97,692.49</u>	<u>(229,657.82)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Federal Sources	284,516.56		284,516.56
State Sources	5,288.69		5,288.69
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>289,805.25</u>		<u>289,805.25</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of Capital Assets	(33,113.00)		(33,113.00)
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(33,113.00)</u>		<u>(33,113.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest	356.43	152.28	508.71
Net Cash Provided by (used for) Investing Activities	<u>356.43</u>	<u>152.28</u>	<u>508.71</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(70,301.63)	97,844.77	27,543.14
Cash and Cash Equivalents, July 1	138,103.75	5,527.75	143,631.50
Cash and Cash Equivalents, June 30	<u>\$ 67,802.12</u>	<u>\$ 103,372.52</u>	<u>\$ 171,174.64</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (380,548.84)	\$ 104,379.90	\$ (276,168.94)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation	12,361.23		12,361.23
Food Distribution Program	28,320.86		28,320.86
(Increase) Decrease in Accounts Receivable	16,224.26	(2,313.73)	13,910.53
(Increase) Decrease in Inventory	1,697.71		1,697.71
Increase (Decrease) in Interfund Payable	(5,405.53)	(5,182.50)	(10,588.03)
Increase (Decrease) in Accounts Payable		808.82	808.82
Total Adjustments	<u>53,198.53</u>	<u>(6,687.41)</u>	<u>46,511.12</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (327,350.31)</u>	<u>\$ 97,692.49</u>	<u>\$ (229,657.82)</u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2015

	<u>Trust Funds</u>			<u>Agency Funds</u>	
	<u>Mary E. Hare Memorial Scholarship Fund</u>	<u>Betty Sheppard Memorial Fund</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Student Activity</u>	<u>Payroll</u>
ASSETS:					
Cash and Cash Equivalents	\$ 3,097.97	\$ 6,802.71	\$ 105,995.02	\$ 45,253.97	\$ 2,167.92
Interfund Receivable - General Fund					258.87
Total Assets	<u>3,097.97</u>	<u>6,802.71</u>	<u>105,995.02</u>	<u>\$ 45,253.97</u>	<u>\$ 2,426.79</u>
LIABILITIES:					
Payable to Student Groups				\$ 45,253.97	
Due to FSA					\$ 1,800.00
Payroll Deductions and Withholdings					626.79
Total Liabilities				<u>\$ 45,253.97</u>	<u>\$ 2,426.79</u>
NET POSITION:					
Held in Trust for Unemployment Claims and Other Purposes			105,995.02		
Held for Program Expenditures		6,802.71			
Held for Scholarships	3,097.97				
Total Net Position	<u>\$ 3,097.97</u>	<u>\$ 6,802.71</u>	<u>\$ 105,995.02</u>		

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2015

	Mary E. Hare Memorial Scholarship <u>Fund</u>	Betty Sheppard Memorial <u>Fund</u>	Unemployment Compensation Trust <u>Fund</u>
ADDITIONS:			
Contributions:			
Employee Salary Deductions			\$ 13,900.25
Investment Earnings:			
Interest	\$ 10.24	\$ 16.97	240.73
Total Additions	<u>10.24</u>	<u>16.97</u>	<u>14,140.98</u>
DEDUCTIONS:			
Unemployment Claims Paid			1,380.13
Scholarships Awarded	<u>1,000.00</u>		
Total Deductions	<u>1,000.00</u>		<u>1,380.13</u>
Change in Net Position	(989.76)	16.97	12,760.85
Net Position, July 1	<u>4,087.73</u>	<u>6,785.74</u>	<u>93,234.17</u>
Net Position, June 30	<u><u>\$ 3,097.97</u></u>	<u><u>\$ 6,802.71</u></u>	<u><u>\$ 105,995.02</u></u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Borough of Bellmawr School District (the "School District") have been prepared to conform 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 following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The 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"). The Board is comprised of seven members elected to three-year terms. These terms are staggered so that two or three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades PK through 8th at its three schools. The School District has an approximate enrollment at June 30, 2015 of 1,181.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board 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. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Component Units (Cont'd)**

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the School District has no component units, and is not a component unit of another governmental agency.

Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Camden County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

General Fund - The general fund is the primary operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment 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, ad valorem tax revenues, 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 revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures 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, 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, or from the general fund by way of transfers from capital outlay or the capital reserve account.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

The School District reports the following major governmental funds (cont'd):

Permanent Fund - The permanent fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the School District's programs, that is, for the benefit of the School District or its students as a whole. The School District does not maintain a permanent fund.

Additionally, the School District reports the following fund types:

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

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

Child-Centered Activities Reinforcing Excellence (C.A.R.E.) Fund - This fund accounts for the financial activity related to the care of School District students before and after school.

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

The School District maintains the following fiduciary funds:

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). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund and payroll fund.

Private-Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. The School District maintains the following private-purpose trust funds:

Mary E. Hare Memorial Scholarship Fund - Revenues consist of donations and interest income. Expenditures represent scholarships graduating 8th grade students, which are awarded in accordance with the trust requirements.

Betty Sheppard Memorial Fund - Revenues consist of donations and interest income. Expenditures represent the costs of maintaining the Betty Sheppard Special Education Summer Camp and for the constructing and maintaining of the Betty Sheppard Memorial Park in the courtyard at Bell Oaks School.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)*****Private-Purpose Trust Funds (Cont'd)***

New Jersey Unemployment Compensation Insurance Trust Fund - Revenues consist of contributions that have been included in the annual budget of the School District, employee payroll withholdings, and interest income. Expenditures represent claims incurred for unemployment.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. 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. 6A: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 year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. 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 revenue, for budgetary purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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, 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 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control (Cont'd)**

Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. 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 the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

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 institutional 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 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Inventories**

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

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed. Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses 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 financial statements, however, payments for prepaid items are fully recognized as expenditures 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.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position.

Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at fair market value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	5 - 20 Years
Motor Vehicles	5 - 10 Years
Buildings and Improvements	5 - 50 Years
Land Improvements	20 Years

The School District does not possess any infrastructure assets.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Deferred Outflows and Deferred Inflows of Resources**

The Statement of Net Position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after Total Assets, represents a reduction of net position that applies to future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after Total Liabilities, represents an acquisition of net position that applies to future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflow of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources:

Defined Benefit Pension Plans – The difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the School District's proportion of expenses and liabilities to the pension as a whole, differences between the School District's pension contribution and its proportionate share of contributions, and the School District's pension contributions subsequent to the pension valuation measurement date.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2015 and 2014 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Unearned Revenue

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

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 entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2015, the amounts earned by these employees were disbursed to the employees' own individual financial institution.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Compensated Absences**

Compensated absences are payments to employees for accumulated time such as paid vacation, paid holidays, sick pay, and sabbatical leave. A liability for compensated absences that is 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 School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in 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 governmental fund financial statements when due.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund ("TPAF") and Public Employees' Retirement System ("PERS") and additions to/deductions from TPAF's and PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Bond Discounts / Premiums

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**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 laws 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.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

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" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted 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 (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed 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. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. 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 (resolution) it employed to previously commit those amounts.

Assigned - 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. *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. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance (Cont'd)**

Unassigned - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund 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 expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are 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.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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.

Impact of Recently Issued Accounting Principles**Recently Issued and Adopted Accounting Pronouncements**

For the fiscal year ended June 30, 2015, the School District adopted GASB 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. As a result of adopting such Statements, the School District was required to measure and recognize liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their defined benefit pensions. The cumulative effect of adopting GASB Statements No. 68 and No. 71 totaled (\$2,919,254.00), and was recognized as a restatement of the School District's June 30, 2014 net position on the statement of activities (see note 24).

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements**

The GASB has issued the following Statement which will become effective in future fiscal years as shown below:

Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The Statement will become effective for the School District in fiscal year 2016. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 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*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. The Statement will become effective for the School District in fiscal year 2016. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The Statement will become effective for the School District in fiscal year 2017. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The Statement will become effective for the School District in fiscal year 2018. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The Statement will become effective for the School District in fiscal year 2016. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose certain information about the agreements. The Statement will become effective for the School District in fiscal year 2017. Management does not expect this Statement will have an impact on the notes to the financial statements.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 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 agency funds such as salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uncollateralized.

As of June 30, 2015, the School District's bank balances of \$3,379,837.81 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 38,036.23</u>
--------------------------------	---------------------

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, 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 by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance July 1, 2014	\$ 1,754,071.23
Increased by:	
Interest Earnings	4,390.21
Deposits:	
Board Resolution (June 24, 2015)	<u>139,556.70</u>
	1,898,018.14
Decreased by:	
Withdrawals:	
Transfer to Capital Projects Fund -	
Local Share on State Funded Projects	<u>1,730,159.00</u>
Ending Balance June 30, 2015	<u>\$167,859.14</u>

The June 30, 2015 LRFP balance of local support costs of uncompleted projects at June 30, 2015 is \$2,116,008.60. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

Note 4: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2015, the School District transferred \$482,099.94 to the capital outlay accounts. The transfer was made from general current expense and was approved by the Executive County Support an emergent circumstance pursuant to N.J.A.C. 6A:23A-13.3(h).

Note 5: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2015 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Governmental Funds</u>					
<u>Description</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Activities</u>	
Federal Awards	\$ 17,470.51	\$ 109,925.00		\$ 127,395.51	
State Awards	99,612.92			99,612.92	
Tuition Charges	31,392.84			31,392.84	
Other	41,172.42			41,172.42	
	<u>\$ 189,648.69</u>	<u>\$ 109,925.00</u>	<u>\$ -</u>	<u>\$ 299,573.69</u>	
<u>Proprietary Funds</u>					
<u>Description</u>	<u>Food Service Fund</u>	<u>Child-Centered Activities Reinforcing Excellence (C.A.R.E.) Fund</u>	<u>Total Business-Type Activities</u>	<u>Fiduciary Funds</u>	<u>Total All Funds</u>
Federal Awards	\$ 64,835.03		\$ 64,835.03		\$ 192,230.54
State Awards	1,297.90		1,297.90		100,910.82
Tuition Charges					31,392.84
Other	421.74	\$ 2,523.42	2,945.16		44,117.58
	<u>\$ 66,554.67</u>	<u>\$ 2,523.42</u>	<u>\$ 69,078.09</u>	<u>\$ -</u>	<u>\$ 368,651.78</u>

Note 6: INVENTORY

Inventory recorded at June 30, 2015 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 7,677.65
Supplies	<u>3,217.06</u>
	<u>\$ 10,894.71</u>

Note 7: CAPITAL ASSETS

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

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2015</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 841,418.00			\$ 841,418.00
Construction in Progress		\$ 407,289.65		407,289.65
Total Capital Assets, not being Depreciated	<u>841,418.00</u>	<u>407,289.65</u>		<u>1,248,707.65</u>
Capital Assets, being Depreciated:				
Land Improvements	919,540.91			919,540.91
Buildings and Improvements	9,279,036.36	6,392.30		9,285,428.66
Equipment	1,270,808.08	245,620.38		1,516,428.46
Total Capital Assets, being Depreciated	<u>11,469,385.35</u>	<u>252,012.68</u>		<u>11,721,398.03</u>
Total Capital Assets, Cost	<u>12,310,803.35</u>	<u>659,302.33</u>		<u>12,970,105.68</u>
Less Accumulated Depreciation for:				
Land Improvements	(723,176.58)	(62,036.65)		(785,213.23)
Buildings and Improvements	(2,805,986.41)	(323,393.64)		(3,129,380.05)
Equipment	(795,647.71)	(149,928.82)		(945,576.53)
Total Accumulated Depreciation	<u>(4,324,810.70)</u>	<u>(535,359.11)</u>		<u>(4,860,169.81)</u>
Total Capital Assets, being Depreciated, Net	<u>7,144,574.65</u>	<u>(283,346.43)</u>		<u>6,861,228.22</u>
Governmental Activities Capital Assets, Net	<u>\$ 7,985,992.65</u>	<u>\$ 123,943.22</u>	<u>\$ -</u>	<u>\$ 8,109,935.87</u>

Note 7: CAPITAL ASSETS (CONT'D)

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2015</u>
Business-Type Activities:				
Capital Assets, being Depreciated:				
Equipment	\$ 172,557.72	\$ 33,113.00		\$ 205,670.72
Less Accumulated Depreciation for:				
Equipment	(92,648.04)	(12,361.23)		(105,009.27)
Business-Type Activities Capital Assets, Net	<u>\$ 79,909.68</u>	<u>\$ 20,751.77</u>	<u>\$ -</u>	<u>\$ 100,661.45</u>

Depreciation expense was charged to functions / programs of the School District as follows:

Governmental Activities:	
Instruction	\$ 101,467.56
General and Business Administrative Services	23,775.44
Plant Operations and Maintenance	<u>410,116.11</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 535,359.11</u>
Business-Type Activities:	
Food Service	<u>\$ 12,361.23</u>

Note 8: LONG-TERM LIABILITIES

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

	<u>Balance July 1, 2014 (Restated)</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2015</u>	<u>Due within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 3,230,898.00		\$ (175,000.00)	\$ 3,055,898.00	\$ 202,898.00
Add Amount:					
Issuance Premium	92,106.86		(4,847.73)	87,259.13	
Total Bonds Payable	<u>3,323,004.86</u>		<u>(179,847.73)</u>	<u>3,143,157.13</u>	<u>202,898.00</u>
Other Liabilities:					
Obligations under Capital Lease	160,846.17	\$ 463,280.00	(118,084.88)	506,041.29	145,835.68
Compensated Absences	988,679.13	168,608.22	(200,988.99)	956,298.36	93,153.12
Net Pension Liability	2,919,254.00	290,761.00		3,210,015.00	
Total Other Liabilities	<u>4,068,779.30</u>	<u>922,649.22</u>	<u>(319,073.87)</u>	<u>4,672,354.65</u>	<u>238,988.80</u>
Governmental Activity					
Long-Term Liabilities	<u>\$ 7,391,784.16</u>	<u>\$ 922,649.22</u>	<u>\$ (498,921.60)</u>	<u>\$ 7,815,511.78</u>	<u>\$ 441,886.80</u>

Note 8: LONG-TERM LIABILITIES (CONT'D)

The bonds payable are generally liquidated by the debt service fund, while the obligations under capital lease, the compensated absences, and the net pension liability are liquidated by the general fund.

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds. The bonds will be paid from property taxes.

On August 15, 2005, the School District issued \$492,898.00 general obligation bonds at interest rates varying to 3.9% for local share of renovation projects partially funded by grants from the State of New Jersey. The final maturity of these bonds is August 1, 2015.

On July 2, 2013, the School District issued \$3,093,000.00 general obligation bonds at interest rates varying to 4.0% to replace the roofs at the School District's three schools. The final maturity of these bonds is January 15, 2033.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 202,898.00	\$ 102,519.01	\$ 305,417.01
2017	140,000.00	97,145.00	237,145.00
2018	140,000.00	92,945.00	232,945.00
2019	140,000.00	88,745.00	228,745.00
2020	145,000.00	84,545.00	229,545.00
2021-2025	780,000.00	355,375.00	1,135,375.00
2026-2030	900,000.00	223,650.00	1,123,650.00
2031-2033	608,000.00	49,160.00	657,160.00
Total	<u>\$ 3,055,898.00</u>	<u>\$ 1,094,084.01</u>	<u>\$ 4,149,982.01</u>

Bonds Authorized but not Issued - As of June 30, 2015, the School District had no authorizations to issue additional bonded debt.

Obligations under Capital Lease - The School District is leasing copiers and laptop computers totaling \$374,390.87. In addition, the School District entered into a lease agreement for \$300,000.00 where the proceeds were used to supplement the School District's local share of a capital project partially funded by a Regular Operating District Grant from the New Jersey Economic Development Authority. All capital leases are for terms of four to five years. Capital leases are depreciated in a manner consistent with the School District's depreciation policy for owned assets.

Note 8: LONG-TERM LIABILITIES (CONT'D)

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2015.

Fiscal Year <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 145,835.68	\$ 13,032.49	\$ 158,868.17
2017	150,137.20	8,730.98	158,868.18
2018	117,026.32	4,290.38	121,316.70
2019	61,729.93	1,498.33	63,228.26
2020	<u>31,312.16</u>	<u>301.97</u>	<u>31,614.13</u>
Total	<u>\$ 506,041.29</u>	<u>\$ 27,854.15</u>	<u>\$ 533,895.44</u>

Compensated Absences - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 16 for a description of the School District's policy.

Note 9: OPERATING LEASES

At June 30, 2015, the School District had operating lease agreement in effect for a mail machines. The present value of the future minimum rental payments under the operating lease agreement is as follows:

Fiscal Year <u>Ending June 30,</u>	<u>Amount</u>
2016	\$ 2,760.00
2017	<u>690.00</u>
	<u>\$ 3,450.00</u>

Rental payments under operating leases for the fiscal year ended June 30, 2015 were \$2,760.00.

Note 10: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TFAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. These plans are administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. 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:

State of New Jersey
 Division of Pensions and Benefits
 P.O. Box 295
 Trenton, New Jersey 08625-0295
<http://www.state.nj.us/treasury/pensions>

Note 10: PENSION PLANS (CONT'D)**General Information About the Pension Plans****Plan Descriptions**

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund ("TPAF") is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. Substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified, are covered under TPAF.

Public Employees' Retirement System - The Public Employees' Retirement System ("PERS") is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. Substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund, are covered under PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program ("DCRP") is a multiple-employer defined contribution pension fund 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. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for a certain enrollment tier but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for certain enrollment tiers, but who earn salary of at least \$5,000 annually.

Benefits Provided

Teachers' Pension and Annuity Fund - 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.

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit.

Note 10: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Benefits Provided (Cont'd)****Teachers' Pension and Annuity Fund (Cont'd)**

Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

The membership tiers for PERS are the same as noted above for TPAF.

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

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 6.78% in State fiscal year 2014. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014 and 2013, the State's pension contribution was less than the actuarial determined amount.

Note 10: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)****Teachers' Pension and Annuity Fund (Cont'd)**

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 several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School Districts' contractually required contribution rate for the fiscal year ended June 30, 2015 was 3.98% of the District's covered-employee payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2015 because of the 100.00% special funding situation with the State of New Jersey.

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 6.78% in State fiscal year 2014. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The School Districts' contractually required contribution rate for the fiscal year ended June 30, 2015 was 18.76% of the District's covered-employee payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School District were \$181,103.00 for the fiscal year ended June 30, 2015. Employee contributions were \$67,394.07 for the fiscal year ended June 30, 2015.

Defined Contribution Retirement Program - State and local government employers contribute 3% of the employees' base salary. Active members contribute 5.5% of base salary.

For the fiscal year ended June 30, 2015, employee contributions totaled \$25,590.04, and the School District recognized pension expense of \$14,101.79. There were no forfeitures during the fiscal year.

Note 10: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

Teachers' Pension and Annuity Fund - At June 30, 2015, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the School District. The State's proportionate share of net pension liability, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	-
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the School District	<u>\$ 33,211,597.00</u>
	<u>\$ 33,211,597.00</u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2014. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At June 30, 2015, the School District proportion was 0.00% due to the 100% special funding situation of the State of New Jersey. For the fiscal year ended June 30, 2015, the School District recognized \$1,787,096.00 in revenue and expense, in the Government-Wide Financial Statements, for the State of New Jersey on-behalf TPAF pension contributions.

Public Employees' Retirement System - At June 30, 2015, the School District reported a liability of \$3,210,015.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2014. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the School District's proportion was .0171450113%, which was an increase of .0018705428% from its proportion measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the School District recognized \$220,547.00, in the Government-Wide Financial Statements, for pension expense for PERS.

Note 10: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd) –**

At June 30, 2015, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences Between Expected and Actual Experience		
Changes of Assumptions	\$ 100,940.00	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		\$ 191,299.00
Changes in Proportion and Differences Between School District Contributions and Proportionate Share of Contributions	301,986.00	
School District Contributions Subsequent to the Measurement Date	<u>181,103.00</u>	
	<u>\$ 584,029.00</u>	<u>\$ 191,299.00</u>

\$181,103.00 reported as deferred outflows of resources related to pensions will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2016.

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

<u>Fiscal Year Ending June 30,</u>	<u>PERS</u>
2015	\$ 68,551.27
2016	68,551.27
2017	68,551.27
2018	68,551.27
2019	(43,457.24)
Thereafter	<u>(19,121.18)</u>
	<u>\$ 211,626.65</u>

Note 10: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Actuarial Assumptions**

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2014. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation	2.50%	3.01%
Salary Increases:		
2012-2021	Varies Based on Experience	2.15% - 4.40% Based on Age
Thereafter	Varies Based on Experience	3.15% - 5.40% Based on Age
Investment Rate of Return	7.90%	7.90%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2009 - June 30, 2012	July 1, 2008 - June 30, 2011

For TPAF, mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements were 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.

For PERS, 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.

Note 10: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Actuarial Assumptions (Cont'd)**

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 Pension and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of returns for each major asset class included in TPAF's and PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>TPAF</u>		<u>PERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.50%	6.00%	0.80%
Core Fixed Income		2.19%		
Core Bonds	1.00%	1.38%	1.00%	2.49%
Short-Term Bonds		1.00%		
Intermediate-Term Bonds	11.20%	2.60%	11.20%	2.26%
Long-Term Bonds		3.23%		
Mortgages	2.50%	2.84%	2.50%	2.17%
High Yield Bonds	5.50%	4.15%	5.50%	4.82%
Non-US Fixed Income		1.41%		
Inflation-Indexed Bonds	2.50%	1.30%	2.50%	3.51%
Broad US Equities	25.90%	5.88%	25.90%	8.22%
Large Cap US Equities		5.62%		
Mid Cap US Equities		6.39%		
Small Cap US Equities		7.39%		
Developed Foreign Equities	12.70%	6.05%	12.70%	8.12%
Emerging Market Equities	6.50%	8.90%	6.50%	9.91%
Private Equity	8.25%	9.15%	8.25%	13.02%
Hedge Funds / Absolute Return	12.25%	3.85%	12.25%	4.92%
Real Estate (Property)	3.20%	4.43%	3.20%	5.80%
Real Estate (REITS)		5.58%		
Commodities	2.50%	3.60%	2.50%	5.35%
Long Credit Bonds		3.74%		
	<u>100.00%</u>		<u>100.00%</u>	

Note 10: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Discount Rate**

The discount rate used to measure the total pension liability was 4.68% and 4.95% for TPAF as of June 30, 2014 and 2013, respectively, and 5.39% and 5.55% for PERS as of June 30, 2014 and 2013, respectively. For TPAF and PERS, these single blended discount rates were 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 rates for TPAF and PERS 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. 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 for TPAF and 2033 for PERS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027 for TPAF and 2033 for PERS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**Teachers' Pension and Annuity Fund (TPAF)**

As indicated above, TPAF has a special funding situation where the State pays 100% of the District's annual required contribution. As such, the net pension liability as of June 30, 2014 attributable to the School District is \$0 and the State's net pension liability attributable to the School District, for the entire TPAF, employers and nonemployer, using a discount rate of 4.68%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	TPAF		
	1% Decrease <u>(3.68%)</u>	Current Discount Rate <u>(4.68%)</u>	1% Increase <u>(5.68%)</u>
School District's Proportionate Share of the Net Pension Liability	-	-	-
State's Proportionate Share of the Net Pension Liability	<u>\$ 39,944,827.11</u>	<u>\$ 33,211,597.00</u>	<u>\$ 27,611,310.91</u>
	<u>\$ 39,944,827.11</u>	<u>\$ 33,211,597.00</u>	<u>\$ 27,611,310.91</u>

Note 10: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)****Public Employees' Retirement System (PERS)**

The following presents the School District's proportionate share of the net pension liability at June 30, 2014 calculated using a discount rate of 5.39% for PERS, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
School District's Proportionate Share of the Net Pension Liability	<u>\$ 4,038,308.21</u>	<u>\$ 3,210,015.03</u>	<u>\$ 2,514,459.56</u>

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated above.

Note 11: STATE POST-RETIREMENT MEDICAL BENEFITS

P.L. 1987, c.384 of 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 postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving postemployment 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 premiums 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 free health benefits to members of PERS and the Alternate Benefit Program who retire 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.

Note 12: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

At June 30, 2015, the School District does not offer postemployment benefits.

Note 13: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2015, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement medical costs were \$344,650.00 and \$547,131.00, respectively.

Note 14: 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; injuries to employees; 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.

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 the activity of the School District's private-purpose trust fund for the unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Income</u>	<u>Claims Incurred</u>	<u>Ending Balance</u>
2015		\$ 13,900.25	\$ 240.73	\$ 1,380.13	\$ 105,995.02
2014	\$ 379,024.50	17,212.59	285.80	401,145.26 ⁽¹⁾	93,234.17
2013		8,575.20	568.72		97,856.54

(1) During the fiscal year ended June 30, 2014, the School District was notified that there were unpaid claims for unemployment against the School District's account with the New Jersey Department of Labor. The State garnished the School District's state aid for these outstanding claims. This amount represents those garnishments and additional obligations incurred during the fiscal year ended June 30, 2014.

Joint Insurance Pool - The School District is a member of the School Alliance Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability
Liability other than Motor Vehicles
Property Damage other than Motor Vehicles
Motor Vehicles
Employee Dishonesty Coverage
School District Legal Liability
Commercial Excess/ Umbrella Coverage

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

Note 14: RISK MANAGEMENT (CONT'D)**Joint Insurance Pool (Cont'd)**

The School District's agreement with the Fund provides that the Fund will be self-sustaining through member premiums. The Fund self-insures some coverage and purchases reinsurance for many excess losses. Some coverage is group purchased from insurance carriers. See Exhibit J-20 in the statistical section for a detailed schedule of the School District's insurance coverage.

The Fund publishes its own financial report for the fiscal year ended June 30, 2015, which can be obtained from:

School Alliance Insurance Fund
51 Everett Drive, Suite B-40
West Windsor, New Jersey 08550

Note 15: DEFERRED COMPENSATION

The School District offers its employees a choice of four deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning, Inc.
The Equitable Life Assurance Company
Met Life
Oppenheimer Funds

Note 16: 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 who are employed for ten months are entitled to eleven paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. The accumulation of sick leave for part-time employees is based on hours not days. The method of calculation of accumulated sick leave for part-time employees is detailed in the School District's policies. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2015, the liability for compensated absences reported on the government-wide statement of net position was \$956,298.36. There is no liability for compensated absences in the proprietary funds.

Note 17: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2015 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General		\$ 258.87
Fiduciary	\$ 258.87	
	<u>\$ 258.87</u>	<u>\$ 258.87</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2016, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Interfund Transfers:

<u>Transfer Out:</u>	<u>Transfer In:</u>
	<u>Capital Projects Fund</u>
General Fund (1)	\$ 1,730,159.00

(1) This transfer is from the Capital Reserve to partially fund the School District's local share of a capital project partially funded by a Regular Operating District Grant from the New Jersey Economic Development Authority.

Note 18: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

Note 19: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 20: COMMITMENTS

The School District had multiple construction projects ongoing as of the fiscal year ended June 30, 2015 that are to continue into the subsequent fiscal year(s). These projects, which are related to the capital projects fund, are as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
Early Childhood Addition to Bellmawr Park School:		
Garrison Architects	07/31/14	\$ 23,582.20
Underwood Engineering Company	02/26/15	15,280.00
Kamback Bros., Inc.	03/11/15	11,465.00
Mobilease Modular Space, Inc.	03/27/15	2,292,191.09
IntelliTek	06/18/15	4,893.55
Dewberry Engineers, Inc.	06/30/15	<u>1,194.51</u>
		<u>\$ 2,348,606.35</u>

Note 21: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$75,117.00 in the special revenue 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 revenue, 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.

Note 22: DEFICIT IN UNRESTRICTED NET POSITION

The School District has a deficit in unrestricted net position in the governmental activities of \$3,380,893.42. This deficit resulted from the deficit in fund balance in the Special Revenue Fund of \$75,117.50 (Note 21), the balance of compensated absences of \$956,298.36 (Note 16) and the reduction by \$2,919,254.00 of prior year net position (Note 24) and the current year effect from the adoption of GASB 68 explained in Note 1.

Note 23: 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: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund

For Capital Reserve Account - As of June 30, 2015, the balance in the capital reserve account is \$167,859.14. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

Capital Projects Fund - On January 22, 2015, the School District entered into a grant agreement with the New Jersey Economic Development Authority for a Regular Operating District Grant in the amount of \$725,737.00 representing the state's share of an early childhood addition to the Bellmawr Park School. At June 30, 2015, \$72,573.70 of the grant award has been realized in revenue. The total project in the amount of \$2,755,896.00 required local share of \$2,030,159.00. The School District funded the local share with Capital Reserve in the amount of \$1,730,159.00 and a capital lease for five years in the amount of \$300,000.00. As of June 30, 2015, the restricted fund balance for this project was \$1,695,443.05.

Debt Service Fund – At June 30, 2015, there is a balance of \$.70 in the Debt Service Fund. This restricted balance can be utilized in a future budget.

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

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2016 \$239,080.71 of general fund balance at June 30, 2015.

The School District has appropriated and included as anticipated revenue for the fiscal year ending June 30, 2017 \$9,414.25 of general fund balance at June 30, 2015, resulting from the Special Education Medicaid Initiative (SEMI) reimbursement received during the current fiscal year for reimbursement of previous fiscal year expenditures.

Other Purposes - As of June 30, 2015, the School District had \$455,299.44 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

Note 23: FUND BALANCES (CONT'D)**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:

Special Revenue Fund - As of June 30, 2015, the fund balance of the special revenue fund was a deficit of \$75,117.00, thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 21, 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 special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$75,117.00 is less than the last state aid payment.

Note 24: RESTATEMENT OF NET POSITION

As indicated in note 1 to the financial statements, the School District adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, for the fiscal year ended June 30, 2015. As a result of implementing these two Statements, a restatement of unrestricted net position on the government-wide statement of activities was required to record the School District's proportionate share of its net pension liability. The cumulative effect on the financial statements as reported for June 30, 2014 is as follows:

	Net Position As Previously Reported <u>June 30, 2014</u>	GASB 68 Implementation			Net Position As Restated <u>June 30, 2014</u>
		Net Pension Liability (1)	Deferred Outflows (2)	Accounts Payable (3)	
Governmental Activities:					
Net Investment in Capital Assets	\$ 4,502,141.62				\$ 4,502,141.62
Reserve for:					
Other Purposes	1,754,071.23				1,754,071.23
Unrestricted (Deficit)	<u>(912,706.67)</u>	<u>\$ (2,919,254.00)</u>	<u>\$ 141,341.00</u>	<u>\$ (141,341.00)</u>	<u>(3,831,960.67)</u>
Total Net Position	<u>\$ 5,343,506.18</u>	<u>\$ (2,919,254.00)</u>	<u>\$ 141,341.00</u>	<u>\$ (141,341.00)</u>	<u>\$ 2,424,252.18</u>

- (1) Represents the District's proportionate share of the Public Employees' Retirement System (PERS) June 30, 2013 Net Pension Liability.
- (2) Represents the District's beginning deferred outflow of resources for contributions subsequent to the measurement date, paid on April 1, 2015.
- (3) Represents the District's accounts payable for contributions subsequent to the measurement date, paid on April 1, 2015. The State of New Jersey Division of Pension and Benefits has an accounts receivable recorded in the PERS Plan Audit.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES					
Local Sources:					
Local Tax Levy	\$ 8,549,034.00		\$ 8,549,034.00	\$ 8,549,034.00	
Interest Income	2,000.00		2,000.00	2,604.15	\$ 604.15
Interest Earned on Capital Reserve Funds	7,500.00		7,500.00	4,390.21	(3,109.79)
Tuition				40,006.36	40,006.36
Unrestricted Miscellaneous Revenues	10,000.00		10,000.00	28,171.23	18,171.23
Total - Local Sources	8,568,534.00		8,568,534.00	8,624,205.95	55,671.95
State Sources:					
Payment for Institutionalized Children - Unknown District of Residence				23,903.00	23,903.00
Equalization Aid	4,175,821.00		4,175,821.00	4,175,821.00	
School Choice Aid	160,144.00	\$ (20,018.00)	140,126.00	140,126.00	
Categorical Special Education Aid	602,816.00		602,816.00	602,816.00	
Categorical Security Aid	56,414.00		56,414.00	56,414.00	
Categorical Transportation Aid	9,872.00		9,872.00	9,872.00	
Under Adequacy Aid	104,103.00		104,103.00	104,103.00	
PARCC Readiness Aid	10,720.00		10,720.00	10,720.00	
Per Pupil Growth Aid	10,720.00		10,720.00	10,720.00	
Extraordinary Aid	40,000.00		40,000.00	39,476.00	(524.00)
Additional Non-Public Transportation Aid				10,933.00	10,933.00
On - behalf TPAF Pension Contributions				344,650.00	344,650.00
On - behalf TPAF Pension Contributions-Post Retirement Medical				547,131.00	547,131.00
Reimbursed TPAF Social Security Contributions				507,210.38	507,210.38
Total - State Sources	5,170,610.00	(20,018.00)	5,150,592.00	6,583,895.38	1,433,303.38
Federal Sources:					
ARRA - SEMI Medicaid				9,414.25	9,414.25
SEMI Medicaid	16,380.00		16,380.00	46,700.18	30,320.18
Total - Federal Sources	16,380.00		16,380.00	56,114.43	39,734.43
Total Revenues	13,755,524.00	(20,018.00)	13,735,506.00	15,264,215.76	1,528,709.76

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES</u>					
General Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	\$ 337,105.00	\$ (25,956.20)	\$ 311,148.80	\$ 310,830.00	\$ 318.80
Grades 1-5	2,004,765.00	(33,926.16)	1,970,838.84	1,970,838.84	
Grades 6-8	1,447,705.00	(66,659.04)	1,381,045.96	1,381,045.96	
Regular Programs - Home Instruction:					
Salaries of Teachers	3,000.00	328.63	3,328.63	3,328.63	
Purchased Professional Educational Services	3,000.00	3,281.05	6,281.05	6,281.05	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	40,376.00	(20,326.00)	20,050.00	20,050.00	
Purchased Professional - Educational Services	174,205.00	(836.11)	173,368.89	167,773.69	5,595.20
Purchased Professional and Technical Services	55,140.00	(15,153.75)	39,986.25	39,174.80	811.45
Other Purchased Services (400-500 series)	122,392.00	3,340.41	125,732.41	124,732.41	1,000.00
General Supplies	231,053.00	197,733.81	428,786.81	424,117.86	4,668.95
Textbooks		2,164.58	2,164.58	2,164.58	
Other Objects	1,740.00		1,740.00	300.00	1440.00
Total Regular Programs - Instruction	4,420,481.00	43,991.22	4,464,472.22	4,450,637.82	13,834.40
Special Education Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	91,002.00	(91,002.00)			
Other Salaries for Instruction	44,848.00	(44,848.00)			
General Supplies	3,230.00	(3,230.00)			
Total Learning and/or Language Disabilities	139,080.00	(139,080.00)			

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D)					
General Current Expense (Cont'd):					
Special Education Instruction (Cont'd):					
Behavior Disabilities:					
Salaries of Teachers		\$ 56,187.00	\$ 56,187.00	\$ 56,187.00	
Other Salaries for Instruction		20,050.00	20,050.00	20,050.00	
General Supplies		5,000.00	5,000.00	3,560.39	\$ 1,439.61
Other Objects		1,000.00	1,000.00		1,000.00
Total Behavior Disabilities		82,237.00	82,237.00	79,797.39	2,439.61
Multiple Disabilities:					
Salaries of Teachers	\$ 243,701.00	(6,063.11)	237,637.89	235,581.00	2,056.89
Other Salaries for Instruction	121,704.00	(11,520.27)	110,183.73	109,782.79	400.94
General Supplies	9,290.00	40.84	9,330.84	7,916.53	1,414.31
Other Objects	2,850.00		2,850.00	96.50	2,753.50
Total Multiple Disabilities	377,545.00	(17,542.54)	360,002.46	353,376.82	6,625.64
Resource Room / Resource Center:					
Salaries of Teachers	620,367.00	42,610.75	662,977.75	662,977.75	
Other Salaries for Instruction	85,843.00	(65,793.00)	20,050.00	20,050.00	
General Supplies	3,637.00	1,037.14	4,674.14	4,674.14	
Total Resource Room / Resource Center	709,847.00	(22,145.11)	687,701.89	687,701.89	
Preschool Disabilities - Full Time:					
Salaries of Teachers	57,481.00	(6,207.83)	51,273.17	50,008.47	1,264.70
Other Salaries for Instruction	69,192.00	22,266.12	91,458.12	91,367.00	91.12
General Supplies	2,090.00	14.68	2,104.68	2,104.66	0.02
Total Preschool Disabilities - Full Time	128,763.00	16,072.97	144,835.97	143,480.13	1,355.84

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications/ Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Special Education Instruction (Cont'd):					
Home Instruction:					
Salaries of Teachers	\$ 2,000.00	\$ 3,000.00	\$ 5,000.00	\$ 4,950.00	\$ 50.00
Purchased Professional - Educational Services	6,000.00	(3,000.00)	3,000.00		3,000.00
Total Home Instruction	8,000.00		8,000.00	4,950.00	3,050.00
Total Special Education - Instruction	1,363,235.00	(80,457.68)	1,282,777.32	1,269,306.23	13,471.09
Basic Skills/ Remedial - Instruction:					
Salaries of Teachers	61,280.00	1,758.00	63,038.00	57,331.80	5,706.20
Purchased Professional - Educational Services	500.00		500.00	308.63	191.37
General Supplies	750.00	(2.67)	747.33	746.40	0.93
Total Basic Skills/ Remedial - Instruction	62,530.00	1,755.33	64,285.33	58,386.83	5,898.50
Bilingual Education - Instruction:					
Salaries of Teachers	116,147.00	(55.98)	116,091.02	115,272.20	818.82
Purchased Professional - Educational Services		25,095.20	25,095.20	22,595.20	2,500.00
General Supplies	450.00	1,458.65	1,908.65	589.60	1,319.05
Total Bilingual Education - Instruction	116,597.00	26,497.87	143,094.87	138,457.00	4,637.87
School - Sponsored Cocurricular Activities - Instruction:					
Salaries	39,628.00		39,628.00	37,210.00	2,418.00
Purchased Services	5,940.00		5,940.00	4,254.50	1,685.50
Supplies and Materials	8,993.00	(2.00)	8,991.00	8,223.05	767.95
Other Objects	403.00	2.00	405.00	405.00	
Total School - Sponsored Cocurricular Activities - Instruction	54,964.00		54,964.00	50,092.55	4,871.45

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications/ Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D)					
General Current Expense (Cont'd):					
School - Sponsored Athletics - Instruction:					
Salaries	\$ 29,129.00	\$ 4,714.00	\$ 33,843.00	\$ 33,843.00	
Purchased Services	5,000.00	(43.04)	4,956.96	4,328.00	\$ 628.96
Supplies and Materials	2,772.00	343.04	3,115.04	3,115.04	
Total School - Sponsored Athletics - Instruction	36,901.00	5,014.00	41,915.00	41,286.04	628.96
Before/ After School Programs - Instruction:					
Salaries of Teachers	73,981.00	(34,387.81)	\$ 39,593.19	26,097.95	13,495.24
Total Before/ After School Programs - Instruction	73,981.00	(34,387.81)	39,593.19	26,097.95	13,495.24
Summer School - Instruction:					
Salaries of Teachers	31,500.00	(1,645.94)	29,854.06	24,740.00	5,114.06
Other Salaries for Instruction	13,000.00		13,000.00	13,000.00	
General Supplies	500.00	903.51	1,403.51	1,393.94	9.57
Total Summer School Instruction	45,000.00	(742.43)	44,257.57	39,133.94	5,123.63
Summer School - Support Services:					
Summer Camp Supplies		490.43	490.43	490.43	
Total Summer School - Support Services		490.43	490.43	490.43	
Total Summer School	45,000.00	(252.00)	44,748.00	39,624.37	5,123.63
Other Supplemental / At Risk Programs - Instruction:					
Salaries of Reading Specialist	83,532.00		83,532.00	83,532.00	
Travel		2,238.07	2,238.07	2,238.07	
General Supplies	150.00		150.00	149.32	0.68
Total Other Supplemental/ At Risk Programs	83,682.00	2,238.07	85,920.07	85,919.39	0.68

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications/ Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D)					
General Current Expense (Cont'd):					
Community Service Programs					
Salaries		\$ 940.67	\$ 940.67	\$ 940.67	
Other Purchased Services (400-500 series)		200.00	200.00	200.00	
Community Service Family Center	\$ 500.00	(200.00)	300.00	138.39	\$ 161.61
Total Community Service Programs	500.00	940.67	1,440.67	1,279.06	161.61
Total Instruction	6,257,871.00	(34,660.33)	6,223,210.67	6,161,087.24	62,123.43
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within the State - Regular	30,000.00		30,000.00	24,510.76	5,489.24
Tuition to Other LEA's Within the State - Special	65,960.00		65,960.00		65,960.00
Tuition to County Special Services School Districts and Regional Day Schools	456,425.00	(52,324.00)	404,101.00	312,288.50	91,812.50
Tuition to Private Schools for the Handicapped - Within State	385,964.00	(99,000.00)	286,964.00	200,157.12	86,806.88
Tuition - State Facilities		32,306.00	32,306.00	32,306.00	
Tuition - Other	51,745.00		51,745.00	15,950.00	35,795.00
Total Undistributed Expenditures - Instruction	990,094.00	(119,018.00)	871,076.00	585,212.38	285,863.62
Undistributed Expenditures - Attendance and Social Work:					
Purchased Professional and Technical Services	2,000.00		2,000.00	2,000.00	
Other Purchased Services (400-500 Series)	17,000.00		17,000.00	16,843.00	157.00
Total Undistributed Expenditures - Attendance and Social Work	19,000.00		19,000.00	18,843.00	157.00
Undistributed Expenditures - Health Services:					
Purchased Professional and Technical Services	211,498.00	(7,393.62)	204,104.38	204,033.38	71.00
Other Purchased Services (400-500 series)	250.00		250.00	195.00	55.00
Supplies and Materials	4,325.00	5,152.64	9,477.64	8,267.37	1,210.27
Total Undistributed Expenditures - Health Services	216,073.00	(2,240.98)	213,832.02	212,495.75	1,336.27

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications/ Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	\$ 124,136.00		\$ 124,136.00	\$ 122,461.00	\$ 1,675.00
Purchased Professional - Educational Services	118,400.00	\$ 4,048.00	122,448.00	122,448.00	
Other Objects	2,593.00		2,593.00	2,134.10	458.90
Total Undistributed Expenditures -Speech, OT, PT and Related Services	245,129.00	4,048.00	249,177.00	247,043.10	2,133.90
Undistributed Expenditures - Other Support Services - Students - Extraordinary:					
Salaries	20,188.00	(3,734.29)	16,453.71	16,453.71	
Purchased Professional and Educational Services	25,000.00	(19,735.00)	5,265.00	5,265.00	
Total Undistributed Expenditures - Other Support Services - Students - Extraordinary	45,188.00	(23,469.29)	21,718.71	21,718.71	
Undistributed Expenditures - Guidance Services:					
Salaries of Other Professional Staff	90,702.00		90,702.00	90,702.00	
Purchased Professional - Educational Services	81,090.00	(24,680.16)	56,409.84	55,252.50	1,157.34
Other Purchased Services (400-500 series)		2,440.88	2,440.88	2,440.88	
Supplies and Materials	1,448.00		1,448.00	130.68	1,317.32
Total Undistributed Expenditures - Guidance Services	173,240.00	(22,239.28)	151,000.72	148,526.06	2,474.66
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	391,969.00	(37,106.14)	354,862.86	354,862.86	
Salaries of Secretarial and Clerical Assistants	28,074.00	140.40	28,214.40	28,214.40	
Purchased Professional - Educational Services	6,900.00	(5,190.00)	1,710.00	1,710.00	
Other Purchased Professional and Technical Services	6,900.00	(2,001.23)	4,898.77	4,898.77	
Misc. Purchased Services	14,000.00	(2,937.73)	11,062.27	11,062.27	
Supplies and Materials	9,000.00	(1,895.84)	7,104.16	7,104.16	
Other Objects	3,150.00	(1,030.00)	2,120.00	2,120.00	
Total Undistributed Expenditures - Child Study Teams	459,993.00	(50,020.54)	409,972.46	409,972.46	

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications/ Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Undistributed Expenditures - Improvement of Instructional Services:					
Salary of Supervisor of Instruction	\$ 107,439.00	\$ 1,500.12	\$ 108,939.12	\$ 108,939.12	
Salaries of Other Professional Staff	8,000.00	(8,000.00)			
Salaries of Secretarial and Clerical Assistants	33,689.00	0.04	33,689.04	33,689.04	
Other Purchased Services (400-500 series)	15,795.00	1,479.47	17,274.47	14,949.47	\$ 2,325.00
Supplies and Materials	8,100.00	270.00	8,370.00	730.86	7,639.14
Other Objects	1,300.00		1,300.00	1,259.00	41.00
Total Undistributed Expenditures - Improvement of Instructional Services	174,323.00	(4,750.37)	169,572.63	159,567.49	10,005.14
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	213,959.00	1,825.08	215,784.08	215,784.08	
Salaries of Technology Coordinators	53,862.00		53,862.00	53,862.00	
Other Purchased Services (400-500 series)	6,114.00	(326.21)	5,787.79	4,831.61	956.18
Supplies and Materials	5,145.00	310.95	5,455.95	5,270.66	185.29
Other Objects	50.00		50.00	50.00	
Total Undistributed Expenditures - Educational Media Services / School Library	279,130.00	1,809.82	280,939.82	279,798.35	1,141.47
Undistributed Expenditures - Instructional Staff Training Services:					
Other Salaries	3,600.00	(376.40)	3,223.60	3,223.60	
Purchased Professional Educational Services	15,000.00	(11,451.50)	3,548.50	3,548.50	
Other Purchased Professional and Technical Services	4,200.00	(4,200.00)			
Other Purchased Services (400-500 series)	5,850.00	1,120.91	6,970.91	6,970.91	
Total Undistributed Expenditures - Instructional Staff Training Services	28,650.00	(14,906.99)	13,743.01	13,743.01	

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications/ Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - General Administration:					
Salaries	\$ 208,282.00	\$ 2,336.96	\$ 210,618.96	\$ 210,618.96	
Legal Services	10,000.00	1,686.25	11,686.25	11,686.25	
Audit Fees	52,000.00		52,000.00	52,000.00	
Architectural and Engineering Services	5,000.00	(5,000.00)			
Other Purchased Professional Services	4,995.00	190.00	5,185.00	5,185.00	
Purchased Technical Services	5,443.00	1,324.50	6,767.50	6,767.50	
Communications / Telephone	71,260.00	(5,263.41)	65,996.59	29,831.37	\$ 36,165.22
BOE Other Purchased Services	3,000.00	105.62	3,105.62	3,001.62	104.00
Miscellaneous Purchased Services (400-500 series)	26,463.00	(4,712.63)	21,750.37	21,079.45	670.92
General Supplies	2,300.00	3,733.52	6,033.52	6,033.52	
Miscellaneous Expenditures	4,885.00	(964.96)	3,920.04	3,920.04	
BOE Membership Dues and Fees	6,200.00	(98.15)	6,101.85	6,101.85	
Total Undistributed Expenditures - Support Services - General Administration	399,828.00	(6,662.30)	393,165.70	356,225.56	36,940.14
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals/ Program Directors	286,456.00	1,000.16	287,456.16	287,456.04	0.12
Salaries of Secretarial and Clerical Assistants	131,304.00	384.24	131,688.24	131,688.12	0.12
Other Purchased Services	3,200.00	2,567.81	5,767.81	5,228.50	539.31
Supplies and Materials	2,796.00	1,800.00	4,596.00	4,483.01	112.99
Other Objects	4,050.00	134.45	4,184.45	4,184.45	
Total Undistributed Expenditures - Support Services - School Administration	427,806.00	5,886.66	433,692.66	433,040.12	652.54

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications/ Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D)					
General Current Expense (Cont'd):					
Undistributed Expenditures - Central Services:					
Salaries	\$ 216,386.00		\$ 216,386.00	\$ 216,385.92	\$ 0.08
Purchased Professional Services	12,250.00	\$ (1,497.52)	10,752.48	10,752.48	
Purchased Technical Services	13,835.00	1,065.00	14,900.00	14,900.00	
Miscellaneous Purchased Services	1,500.00		1,500.00	1,467.12	32.88
Supplies and Materials	1,000.00	1,850.00	2,850.00	2,767.88	82.12
Interest on Lease Purchase Agreements		2,893.14	2,893.14	2,893.14	
Miscellaneous Expenditures	1,982.00	(372.25)	1,609.75	1,609.65	0.10
Total Undistributed Expenditures - Central Services	246,953.00	3,938.37	250,891.37	250,776.19	115.18
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	42,166.00	(2,998.96)	39,167.04	39,167.04	
Cleaning, Repair and Maintenance Services	262,777.00	7,504.83	270,281.83	269,590.92	690.91
General Supplies	38,748.00	(6,285.97)	32,462.03	32,462.03	
Total Undistributed Expenditures - Required Maintenance for School Facilities	343,691.00	(1,780.10)	341,910.90	341,219.99	690.91
Undistributed Expenditures - Custodial Services:					
Salaries	393,586.00	(2,594.59)	390,991.41	390,991.41	
Salaries of Non-Instructional Aides	12,000.00	(4,058.90)	7,941.10	7,941.10	
Purchased Professional and Technical Services	3,000.00	5,600.85	8,600.85	8,600.85	
Cleaning, Repair and Maintenance Services	15,200.00	(5,306.91)	9,893.09	9,893.09	
Other Purchased Property Services	17,500.00	3,003.25	20,503.25	20,503.25	
Insurance	44,091.00	1,785.00	45,876.00	45,876.00	
Miscellaneous Purchased Services	100.00	196.40	296.40	296.40	
General Supplies	45,280.00	9,730.32	55,010.32	54,520.82	489.50
Energy - Natural Gas	100,000.00	(36,268.59)	63,731.41	63,731.41	
Energy - Electricity	200,000.00	(10,123.21)	189,876.79	189,876.79	
Energy - Gasoline	2,500.00	(326.38)	2,173.62	2,173.62	
Other Objects	2,100.00	1,568.00	3,668.00	3,668.00	
Total Undistributed Expenditures - Custodial Services	835,357.00	(36,794.76)	798,562.24	798,072.74	489.50

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications/ Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Undistributed Expenditures - Care and Upkeep of Grounds:					
Cleaning, Repair, and Maintenance Services	\$ 8,900.00	\$ 632.24	\$ 9,532.24	\$ 9,532.24	
General Supplies	16,400.00	9,420.26	25,820.26	25,820.26	
Total Undistributed Expenditures - Care and Upkeep of Grounds	25,300.00	10,052.50	35,352.50	35,352.50	
Undistributed Expenditures - Security:					
Security Services	32,130.00	7,146.52	39,276.52	39,276.52	
General Supplies	500.00	1,042.00	1,542.00	1,542.00	
Total Undistributed Expenditures - Security	32,630.00	8,188.52	40,818.52	40,818.52	
Total Undistributed Expenditures - Operation and Maintenance of Plant	1,236,978.00	(20,333.84)	1,216,644.16	1,215,463.75	\$ 1,180.41
Undistributed Expenditures - Student Transportation Services:					
Management Fee - ESC and CTSA Transportation Program	13,000.00	2,898.13	15,898.13	15,898.13	
Contracted Services - Aid in Lieu Payments - Nonpublic Schools	60,000.00	(11,733.72)	48,266.28	48,266.28	
Contracted Services - Aid in Lieu Payments - Charter School Students	884.00	2,210.00	3,094.00	3,094.00	
Contracted Services - Aid in Lieu Payments - Choice Students	4,420.00	(884.00)	3,536.00	3,536.00	
Contracted Services (Other than Between Home and School) - Vendors	10,100.00	(4,043.00)	6,057.00	6,057.00	
Contracted Services (Special Education Students) - Vendors	5,000.00	173.14	5,173.14	5,173.14	
Contracted Services (Regular Education Students) - ESC	4,000.00	27,744.56	31,744.56	31,744.56	
Contracted Services (Special Education Students) - ESC's and CTSA's	270,000.00	(36,910.46)	233,089.54	233,089.54	
Total Undistributed Expenditures - Student Transportation Services	367,404.00	(20,545.35)	346,858.65	346,858.65	

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications/ Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D)					
General Current Expense (Cont'd):					
Unallocated Benefits - Employee Benefits:					
Group Life Insurance	\$ 375.00		\$ 375.00	\$ 372.44	\$ 2.56
Social Security Contributions	140,000.00	\$ 708.72	140,708.72	132,479.35	8,229.37
Other Retirement Contributions - PERS	158,900.00		158,900.00	150,105.77	8,794.23
Workers' Compensation	93,381.00	(1,319.00)	92,062.00	92,062.00	
Health Benefits	1,900,328.00	(244,658.24)	1,655,669.76	1,643,639.58	12,030.18
Tuition Reimbursement	30,000.00		30,000.00	18,736.59	11,263.41
Other Employee Benefits	188,600.00	(5,889.68)	182,710.32	171,363.32	11,347.00
Total Unallocated Benefits - Employee Benefits	2,511,584.00	(251,158.20)	2,260,425.80	2,208,759.05	51,666.75
On - behalf TPAF Pension Contributions				344,650.00	(344,650.00)
On - behalf TPAF Pension Contributions-Post Retirement Medical				547,131.00	(547,131.00)
Reimbursed TPAF Social Security Contributions				507,210.38	(507,210.38)
				1,398,991.38	(1,398,991.38)
Total Undistributed Expenditures	7,821,373.00	(519,662.29)	7,301,710.71	8,307,035.01	(1,005,324.30)
Total General Current Expense	14,079,244.00	(554,322.62)	13,524,921.38	14,468,122.25	(943,200.87)
Capital Outlay:					
Increase in Capital Reserve	7,500.00		7,500.00		7,500.00
Equipment:					
Undistributed Expenditures - Instruction	17,250.00	954.57	18,204.57	18,204.57	
Undistributed Expenditures - Admin Info Tech	31,800.00	(31,800.00)			
Undistributed Expenditures - Required Maintenance		6,392.30	6,392.30	6,392.30	
Undistributed Expenditures - Custodial		9,800.81	9,800.81	9,800.81	
Undistributed Expenditures - Care and Upkeep of Grounds	5,000.00	500.00	5,500.00	5,500.00	
Undistributed Expenditures - Security		48,835.00	48,835.00	48,835.00	
Total Equipment	54,050.00	34,682.68	88,732.68	88,732.68	

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES (CONT'D)</u>					
Capital Outlay (Cont'd):					
Facilities Acquisition and Construction Services:					
Architect/ Engineering Services		\$ 447,394.50	\$ 447,394.50		\$ 447,394.50
Other Purchased Professional and Technical Services		5,984.45	5,984.45		5,984.45
Construction Services		28,720.99	28,720.99	\$ 28,720.99	
Capital Lease Principal				7,699.00	
Assessment for Debt Service on SDA Funding	\$ 7,699.00		7,699.00	7,699.00	
Total Facilities Acquisition and Construction Services	<u>7,699.00</u>	<u>482,099.94</u>	<u>489,798.94</u>	<u>36,419.99</u>	<u>453,378.95</u>
Assest Acquired Under Capital Lease (Non-Budgeted):					
Laptop Computers				163,280.00	(163,280.00)
Total Assets Acquired Under Capital Lease (Non-Budgeted)				<u>163,280.00</u>	<u>(163,280.00)</u>
Total Capital Outlay	<u>69,249.00</u>	<u>516,782.62</u>	<u>586,031.62</u>	<u>288,432.67</u>	<u>297,598.95</u>
Transfer of Funds to Charter Schools	47,493.00	17,522.00	65,015.00	60,153.00	4,862.00
Total Expenditures	<u>14,195,986.00</u>	<u>(20,018.00)</u>	<u>14,175,968.00</u>	<u>14,816,707.92</u>	<u>(640,739.92)</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(440,462.00)		(440,462.00)	447,507.84	887,969.84
Other Financing Sources (Uses):					
Assets Acquired by Capital Lease				163,280.00	163,280.00
Capital Reserve Transferred to Capital Projects Fund				(1,730,159.00)	(1,730,159.00)
Total Other Financing Sources (Uses)				<u>(1,566,879.00)</u>	<u>(1,566,879.00)</u>

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ (440,462.00)		\$ (440,462.00)	\$ (1,119,371.16)	\$ (678,909.16)
Fund Balances, July 1	2,479,245.70		2,479,245.70	2,479,245.70	
Fund Balances, June 30	\$ 2,038,783.70	\$ -	\$ 2,038,783.70	\$ 1,359,874.54	\$ (678,909.16)
Recapitulation:					
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 167,859.14	
Assigned Fund Balance:					
Year-End Encumbrances				455,299.44	
ARRA/SEMI - Unreserved - Designated for Subsequent Year's Expenditures				9,414.25	
Designated for Subsequent Year's Expenditures				416,589.00	
Unassigned Fund Balance				310,712.71	
				1,359,874.54	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				(488,221.00)	
Fund Balance per Governmental Funds (GAAP)				\$ 871,653.54	

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Required Supplementary Information
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original <u>Budget</u>	Budget Transfers / <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
Federal Sources:					
Title I	\$ 268,414.00	\$ 42,081.00	\$ 310,495.00	\$ 310,495.00	
Title II - A	32,089.00	5,612.00	37,701.00	37,701.00	
Title III	12,479.00	1,330.00	13,809.00	13,809.00	
I.D.E.I.A., Part B	225,881.00	62,803.00	288,684.00	288,684.00	
I.D.E.I.A., Part B, Preschool	9,760.00	1,838.00	11,598.00	11,598.00	
Total - Federal Sources	548,623.00	113,664.00	662,287.00	662,287.00	
State Sources:					
Preschool Education Aid	751,170.00		751,170.00	742,211.77	\$ (8,958.23)
Total - State Sources	751,170.00		751,170.00	742,211.77	(8,958.23)
Total Revenues	1,299,793.00	113,664.00	1,413,457.00	1,404,498.77	(8,958.23)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	647,828.00	(35,707.00)	612,121.00	611,721.00	400.00
Other Salaries for Instruction	110,789.00	(13,401.60)	97,387.40	97,387.40	
Purchased Professional and Technical Services		2,500.00	2,500.00	2,500.00	
Purchased Professional and Educational Services		13,401.60	13,401.60	11,888.80	1,512.80
Other Purchased Services (400-500 series)	235,641.00	64,641.00	300,282.00	300,282.00	
Instructional Supplies	5,000.00	14,999.72	19,999.72	19,999.72	
Other Objects		660.00	660.00	660.00	
	999,258.00	47,093.72	1,046,351.72	1,044,438.92	1,912.80
Support Services:					
Salaries of Program Directors	84,777.00	3,000.00	87,777.00	87,777.00	
Salaries of Secretarial and Clerical Assistants	20,413.00	-	20,413.00	20,413.00	
Personal Services - Employee Benefits	125,770.00	45,886.05	171,656.05	164,610.62	7,045.43
Purchased Professional and Technical Services	32,089.00	6,062.00	38,151.00	38,151.00	
Other Purchased Professional Services					
Cleaning Repair and Maintenance Services	37,486.00	9,774.23	47,260.23	47,260.23	
Supplies and Materials		600.00	600.00	600.00	
Other Objects		1,248.00	1,248.00	1,248.00	
Total Support Services	300,535.00	66,570.28	367,105.28	360,059.85	7,045.43
Total Expenditures	1,299,793.00	113,664.00	1,413,457.00	1,404,498.77	8,958.23
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to RSI
 For the Fiscal Year Ended June 30, 2015

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

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 15,264,215.76	\$ 1,404,498.77
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		(18,848.16)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes, and State aid payment recognized as revenue for budgetary purposes, not recognized for GAAP statements until the subsequent year	<u>(12,502.50)</u>	<u>(16,096.50)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u><u>\$ 15,251,713.26</u></u>	<u><u>\$ 1,369,554.11</u></u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 14,816,707.92	\$ 1,404,498.77
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.		<u>(18,848.16)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u><u>\$ 14,816,707.92</u></u>	<u><u>\$ 1,385,650.61</u></u>

REQUIRED SUPPLEMENTARY INFORMATION
PART III

**ACCOUNTING AND REPORTING FOR PENSIONS
(GASBS NO. 68) SCHEDULES**

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)
 Last Two Fiscal Years

	<u>Measurement Date Ending June 30,</u>	
	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.0171450113%	0.0152744685%
School District's Proportionate Share of the Net Pension Liability	\$ 3,210,015.00	\$ 2,919,254.00
School District's Covered-Employee Payroll	\$ 1,377,474.00	\$ 1,109,515.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	233.04%	263.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Contributions
 Public Employees' Retirement System (PERS)
 Last Two Fiscal Years

	<u>Fiscal Year Ended June 30,</u>	
	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 181,103.00	\$ 141,341.00
Contributions in Relation to the Contractually Required Contribution	<u>(181,103.00)</u>	<u>(141,341.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
School District's Covered-Employee Payroll	\$ 965,231.00	\$ 1,377,474.00
Contributions as a Percentage of School District's Covered-Employee Payroll	18.76%	10.26%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund (TPAF)
 Last Two Fiscal Years

	<u>Measurement Date Ending June 30,</u>	
	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability		
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>\$ 33,211,597.00</u>	<u>\$ 32,519,475.00</u>
	<u>\$ 33,211,597.00</u>	<u>\$ 32,519,475.00</u>
School District's Covered-Employee Payroll	\$ 6,477,471.00	\$ 6,173,884.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll		
State's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	512.72%	526.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Required Supplementary Information
Schedule of School District's Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last 10 Fiscal Years

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2015

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None

Changes in Assumptions - The discount rate changed from 5.55% as of June 30, 2013, to 5.39% as of June 30, 2014 in accordance with Paragraph 44 of GASB Statement No. 67.

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None

Changes in Assumptions - The discount rate changed from 4.95% as of June 30, 2013, to 4.68% as of June 30, 2014 in accordance with Paragraph 44 of GASB Statement No. 67.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

BOROUGH OF BELLMAWR SCHOOL DISTRICT
SPECIAL REVENUE FUND
Combining Schedules of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	<u>Total</u>	<u>Title I</u>	<u>NCLB Title II - A</u>	<u>Title III</u>	<u>Total Brought Forward</u>
REVENUES:					
Federal Sources	\$ 662,287.00	\$ 310,495.00	\$ 37,701.00	\$ 13,809.00	\$ 300,282.00
State Sources	742,211.77				742,211.77
Total Revenues	<u>1,404,498.77</u>	<u>310,495.00</u>	<u>37,701.00</u>	<u>13,809.00</u>	<u>1,042,493.77</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	611,721.00	239,186.00		6,000.00	366,535.00
Other Salaries for Instruction	97,387.40				97,387.40
Purchased Professional and Technical Services	2,500.00			2,500.00	
Purchased Professional Educational Services	11,888.80				11,888.80
Other Purchased Services (400-500 series)	300,282.00				300,282.00
Instructional Supplies	19,999.72	14,150.72		849.00	5,000.00
Other Objects	660.00			660.00	
Total Instruction	<u>1,044,438.92</u>	<u>253,336.72</u>		<u>10,009.00</u>	<u>781,093.20</u>
Support Services:					
Salaries of Program Directors	87,777.00			3,000.00	84,777.00
Salaries of Secretarial and Clerical Assistants	20,413.00				20,413.00
Personal Services - Employee Benefits	164,610.62	56,908.28			107,702.34
Purchased Professional and Technical Services	38,151.00	250.00	37,701.00	200.00	
Cleaning Repair and Maintenance Services	47,260.23				47,260.23
Supplies and Materials	600.00			600.00	
Other Objects	1,248.00				1,248.00
Total Support Services	<u>360,059.85</u>	<u>57,158.28</u>	<u>37,701.00</u>	<u>3,800.00</u>	<u>261,400.57</u>
Total Expenditures	<u>1,404,498.77</u>	<u>310,495.00</u>	<u>37,701.00</u>	<u>13,809.00</u>	<u>1,042,493.77</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
SPECIAL REVENUE FUND
Combining Schedules of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Total Carried Forward	I.D.E.I.A. Part B		Preschool Educaton Aid
		Basic	Preschool	
REVENUES:				
Federal Sources	\$ 300,282.00	\$ 288,684.00	\$ 11,598.00	
State Sources	742,211.77			\$ 742,211.77
Total Revenues	1,042,493.77	288,684.00	11,598.00	742,211.77
EXPENDITURES:				
Instruction:				
Salaries of Teachers	366,535.00			366,535.00
Other Salaries for Instruction	97,387.40			97,387.40
Purchased Professional and Technical Services				
Purchased Professional Educational Services	11,888.80			11,888.80
Other Purchased Services (400-500 series)	300,282.00	288,684.00	11,598.00	
Instructional Supplies	5,000.00			5,000.00
Other Objects				
Total Instruction	781,093.20	288,684.00	11,598.00	480,811.20
Support Services:				
Salaries of Program Directors	84,777.00			84,777.00
Salaries of Secretarial and Clerical Assistants	20,413.00			20,413.00
Personal Services - Employee Benefits	107,702.34			107,702.34
Purchased Professional and Technical Services				
Cleaning Repair and Maintenance Services	47,260.23			47,260.23
Supplies and Materials				
Other Objects	1,248.00			1,248.00
Total Support Services	261,400.57			261,400.57
Total Expenditures	1,042,493.77	288,684.00	11,598.00	742,211.77
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-

BOROUGH OF BELLMAWR SCHOOL DISTRICT
SPECIAL REVENUE FUND
Statement of Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 366,935.00	\$ 366,535.00	\$ 400.00
Other Salaries for Instruction	97,387.40	97,387.40	
Purchased Professional Education Services	13,401.60	11,888.80	1,512.80
Supplies and Materials	5,000.00	5,000.00	
Total Instruction	<u>482,724.00</u>	<u>480,811.20</u>	<u>1,912.80</u>
Support Services:			
Salaries of Program Directors	84,777.00	84,777.00	
Salaries of Secretarial and Clerical Assistants	20,413.00	20,413.00	
Personal Services - Employee Benefits	114,747.77	107,702.34	7,045.43
Cleaning Repair and Maintenance Services	47,260.23	47,260.23	
Other Objects	1,248.00	1,248.00	
Total Support Services	<u>268,446.00</u>	<u>261,400.57</u>	<u>7,045.43</u>
Total Expenditures	<u>\$ 751,170.00</u>	<u>\$ 742,211.77</u>	<u>\$ 8,958.23</u>
<u>Calculation of Budget and Carryover</u>			
Total revised 2014-15 Preschool Education Aid Allocation		\$ 751,170.00	
Add: Actual ECPA/PEA Carryover (June 30, 2014)		10,027.56	
Add: Budgeted Transfer from General Fund 2014-15			
Total Preschool Education Funds Available for 2014-15 Budget		<u>761,197.56</u>	
Less: 2014-15 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)		<u>751,170.00</u>	
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2015		10,027.56	
Add: June 30, 2015 Unexpended Preschool Education Aid		<u>8,958.23</u>	
2014-15 Carryover - Preschool Education Aid/Preschool		<u>\$ 18,985.79</u>	
2014-15 Preschool Education Aid Carryover Budgeted for Preschool Programs 2015-16		<u>\$ 10,028.00</u>	

CAPITAL PROJECTS FUND

BOROUGH OF BELLMAWR SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2015

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Apropiations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2015</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Bellmawr Park School Early Childhood Addition	1/22/2015	\$ 2,755,896.00		\$ 407,289.65	\$ 2,348,606.35
		<u>\$ 2,755,896.00</u>	<u>\$ -</u>	<u>\$ 407,289.65</u>	<u>\$ 2,348,606.35</u>
Reconciliation to Governmental Funds Statements (GAAP):					
Unexpended Balance as of June 30, 2015					\$ 2,348,606.35
Regular Operating District Grant Revenue Not Recognized on GAAP Basis					<u>(653,163.30)</u>
					<u>\$ 1,695,443.05</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
 For the Fiscal Year Ended June 30, 2015

Revenues and Other Financing Sources

State Sources - Regular Operating District Grant	\$ 725,737.00
Local Source - Capital Lease	300,000.00
Capital Reserve Transfer to Capital Projects Fund	<u>1,730,159.00</u>
	<u>2,755,896.00</u>

Expenditures and Other Financing Uses**Expenditures:**

Legal Services	15,250.00
Architecture	227,708.29
Construction Services	153,910.91
Other Objects	<u>10,420.45</u>
Total Expenditures	<u>407,289.65</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures	2,348,606.35
---	--------------

Fund Balance, July 1	<u> </u>
----------------------	-----------------------------

Fund Balance, June 30	<u><u>\$ 2,348,606.35</u></u>
-----------------------	-------------------------------

Reconciliation to Governmental Funds Statements (GAAP):

Fund Balance as of June 30, 2015	\$ 2,348,606.35
Regular Operating District Grant Revenue Not Recognized on GAAP Basis	<u>(653,163.30)</u>
	<u><u>\$ 1,695,443.05</u></u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, Project Balance and Project Status
Bellmawr Park Elementary School Early Childhood Addition
From Inception and For the Fiscal Year Ended June 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - Regular Operating District Grant		\$ 725,737.00	\$ 725,737.00	\$ 725,737.00
Local Source - Capital Lease		300,000.00	300,000.00	300,000.00
Capital Reserve Transfer to Capital Projects Fund		1,730,159.00	1,730,159.00	1,730,159.00
Total Revenues		2,755,896.00	2,755,896.00	2,755,896.00
Expenditures and Other Financing Uses				
Legal Services		15,250.00	15,250.00	15,250.00
Architecture		227,708.29	227,708.29	266,570.49
Construction Management				1,194.51
Construction Services		153,910.91	153,910.91	2,462,460.55
Other Objects		10,420.45	10,420.45	10,420.45
Total Expenditures		407,289.65	407,289.65	2,755,896.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 2,348,606.35	\$ 2,348,606.35	\$ -
Encumbered			<u>\$ 2,348,606.35</u>	
Additional Project Information				
Project Number	SDA # 0260-020-14-G3LB; DOE # 0260-020-14-1001			
Grant Date	1/22/2015			
Bond Authorization Date	NA			
Bonds Authorized	NA			
Bonds Issued	NA			
Original Authorized Cost	\$ 2,755,896.00			
Additional Authorized Cost				
Revised Authorized Cost	2,755,896.00			
Percentage Increase over Original Authorized Cost				
Percentage Completion	15%			
Original Target Completion Date	8/21/2015			
Revised Target Completion Date	10/26/2015			

PROPRIETARY FUNDS

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Net Position
June 30, 2015

	<u>Food Service</u>	<u>Child-Centered Activities Reinforcing Excellence (C.A.R.E.)</u>	<u>Totals</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 67,802.12	\$ 103,372.52	\$ 171,174.64
Accounts Receivable - Other	421.74	2,523.42	2,945.16
Intergovernmental Accounts Receivable:			
Federal	64,835.03		64,835.03
State	1,297.90		1,297.90
Inventories	10,894.71		10,894.71
Total Current Assets	<u>145,251.50</u>	<u>105,895.94</u>	<u>251,147.44</u>
Noncurrent Assets:			
Equipment	205,670.72		205,670.72
Less: Accumulated Depreciation	<u>(105,009.27)</u>		<u>(105,009.27)</u>
Total Noncurrent Assets	<u>100,661.45</u>		<u>100,661.45</u>
Total Assets	<u>245,912.95</u>	<u>105,895.94</u>	<u>351,808.89</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable		808.82	808.82
Total Liabilities		<u>808.82</u>	<u>808.82</u>
NET POSITION:			
Net Investment in Capital Assets	100,661.45		100,661.45
Unrestricted	<u>145,251.50</u>	<u>105,087.12</u>	<u>250,338.62</u>
Total Net Position	<u>\$ 245,912.95</u>	<u>\$ 105,087.12</u>	<u>\$ 351,000.07</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2015

	<u>Food Service</u>	<u>Child-Centered Activities Reinforcing Excellence (C.A.R.E.)</u>	<u>Totals</u>
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable and Non-Reimbursable Programs	\$ 138,060.67		\$ 138,060.67
Daily Sales - Vending	1,955.35		1,955.35
Special Functions	6,007.48		6,007.48
Tuition and Fees		\$ 253,891.26	253,891.26
	<u>146,023.50</u>	<u>253,891.26</u>	<u>399,914.76</u>
Total Operating Revenues	146,023.50	253,891.26	399,914.76
OPERATING EXPENSES:			
Cost of Sales	197,560.07		197,560.07
Salaries	165,932.75	113,832.43	279,765.18
Employee Benefits	34,379.02		34,379.02
Purchased Professional Services	30,599.94		30,599.94
Other Purchased Services	53,309.19	17,844.64	71,153.83
Supplies and Materials	31,956.29	17,834.29	49,790.58
Miscellaneous	473.85		473.85
Depreciation	12,361.23		12,361.23
	<u>526,572.34</u>	<u>149,511.36</u>	<u>676,083.70</u>
Total Operating Expenses	526,572.34	149,511.36	676,083.70
Operating Income (Loss)	(380,548.84)	104,379.90	(276,168.94)
NONOPERATING REVENUES:			
State Sources:			
State School Lunch Program	5,808.47		5,808.47
Federal Sources:			
National School Lunch Program	245,580.46		245,580.46
National School Breakfast Program	74,117.35		74,117.35
After School Snack Program	3,645.62		3,645.62
Food Distribution Program	28,320.86		28,320.86
Interest	356.43	152.28	508.71
	<u>357,829.19</u>	<u>152.28</u>	<u>357,981.47</u>
Total Nonoperating Revenues	357,829.19	152.28	357,981.47
Change in Net Position	(22,719.65)	104,532.18	81,812.53
Net Position, July 1	268,632.60	554.94	269,187.54
Net Position, June 30	\$ 245,912.95	\$ 105,087.12	\$ 351,000.07

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

	Food Service	Child-Centered Activities Reinforcing Excellence (C.A.R.E.)	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 162,247.76	\$ 251,577.53	\$ 413,825.29
Payments to Employees	(165,932.75)	(113,832.43)	(279,765.18)
Payments for Employee Benefits	(34,379.02)		(34,379.02)
Payments to Suppliers	(289,286.30)	(40,052.61)	(329,338.91)
Net Cash Provided by (used for) Operating Activities	<u>(327,350.31)</u>	<u>97,692.49</u>	<u>(229,657.82)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Federal Sources	284,516.56		284,516.56
State Sources	5,288.69		5,288.69
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>289,805.25</u>		<u>289,805.25</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of Capital Assets	(33,113.00)		(33,113.00)
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(33,113.00)</u>		<u>(33,113.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest	356.43	152.28	508.71
Net Cash Provided by (used for) Investing Activities	<u>356.43</u>	<u>152.28</u>	<u>508.71</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(70,301.63)	97,844.77	27,543.14
Cash and Cash Equivalents, July 1	138,103.75	5,527.75	143,631.50
Cash and Cash Equivalents, June 30	<u>\$ 67,802.12</u>	<u>\$ 103,372.52</u>	<u>\$ 171,174.64</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (380,548.84)	\$ 104,379.90	\$ (276,168.94)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation	12,361.23		12,361.23
Food Distribution Program	28,320.86		28,320.86
(Increase) Decrease in Accounts Receivable	16,224.26	(2,313.73)	13,910.53
(Increase) Decrease in Inventory	1,697.71		1,697.71
Increase (Decrease) in Interfund Payable	(5,405.53)	(5,182.50)	(10,588.03)
Increase (Decrease) in Accounts Payable		808.82	808.82
Total Adjustments	<u>53,198.53</u>	<u>(6,687.41)</u>	<u>46,511.12</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (327,350.31)</u>	<u>\$ 97,692.49</u>	<u>\$ (229,657.82)</u>

FIDUCIARY FUNDS

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Position
 June 30, 2015

	<u>Trust Funds</u>			<u>Agency Funds</u>		<u>Total</u>
	<u>Mary E. Hare Memorial Scholarship Fund</u>	<u>Betty Sheppard Memorial Fund</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS:						
Cash and Cash Equivalents	\$ 3,097.97	\$ 6,802.71	\$ 105,995.02	\$ 45,253.97	\$ 2,167.92	\$ 163,317.59
Interfund Receivable - General Fund					258.87	258.87
Total Assets	<u>3,097.97</u>	<u>6,802.71</u>	<u>105,995.02</u>	<u>\$ 45,253.97</u>	<u>\$ 2,426.79</u>	<u>163,576.46</u>
LIABILITIES:						
Payable to Student Groups				\$ 45,253.97		45,253.97
Due to FSA					\$ 1,800.00	1,800.00
Payroll Deductions and Withholdings					626.79	626.79
Total Liabilities				<u>\$ 45,253.97</u>	<u>\$ 2,426.79</u>	<u>47,680.76</u>
NET POSITION:						
Held in Trust for Unemployment Claims and Other Purposes			105,995.02			105,995.02
Held for Program Expenditures		6,802.71				6,802.71
Held for Scholarships	3,097.97					3,097.97
Total Net Position	<u>\$ 3,097.97</u>	<u>\$ 6,802.71</u>	<u>\$ 105,995.02</u>			<u>\$ 115,895.70</u>

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

	Mary E. Hare Memorial Scholarship Fund	Betty Sheppard Memorial Fund	Unemployment Compensation Trust Fund	Total
ADDITIONS:				
Contributions:				
Employee Salary Deductions			\$ 13,900.25	\$ 13,900.25
Investment Earnings:				
Interest	\$ 10.24	\$ 16.97	240.73	267.94
Total Additions	10.24	16.97	14,140.98	14,168.19
DEDUCTIONS:				
Unemployment Claims Paid			1,380.13	1,380.13
Scholarships Awarded	1,000.00			1,000.00
Total Deductions	1,000.00		1,380.13	2,380.13
Change in Net Position	(989.76)	16.97	12,760.85	11,788.06
Net Position, July 1	4,087.73	6,785.74	93,234.17	104,107.64
Net Position, June 30	\$ 3,097.97	\$ 6,802.71	\$ 105,995.02	\$ 115,895.70

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

	Balance June 30, 2014	Cash Receipts	Cash Disbursements	Balance June 30, 2015
ELEMENTARY SCHOOLS:				
Ethel M. Burke	\$ 2,014.67	\$ 15,654.33	\$ 15,082.47	\$ 2,586.53
Bellmawr Park	<u>3,966.55</u>	<u>14,549.38</u>	<u>16,818.10</u>	<u>1,697.83</u>
Total Elementary Schools	<u>5,981.22</u>	<u>30,203.71</u>	<u>31,900.57</u>	<u>4,284.36</u>
JUNIOR HIGH SCHOOLS:				
Bell Oaks	<u>42,078.52</u>	<u>67,393.87</u>	<u>68,502.78</u>	<u>40,969.61</u>
Total Junior High School	<u>42,078.52</u>	<u>67,393.87</u>	<u>68,502.78</u>	<u>40,969.61</u>
Total All Schools	<u><u>\$ 48,059.74</u></u>	<u><u>\$ 97,597.58</u></u>	<u><u>\$ 100,403.35</u></u>	<u><u>\$ 45,253.97</u></u>

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

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
ASSETS:				
Cash and Cash Equivalents	\$ 3,489.79	\$ 9,552,336.09	\$ 9,553,657.96	\$ 2,167.92
Due from FSA	706.64		706.64	
Interfund Receivable - General Fund		293.63	34.76	258.87
Total Assets	\$ 4,196.43	\$ 9,552,629.72	\$ 9,554,399.36	\$ 2,426.79
LIABILITIES:				
Payroll Deductions and Withholdings		\$ 4,142,002.97	\$ 4,141,376.18	\$ 626.79
Due to FSA		2,800.00	1,000.00	1,800.00
Net Payroll		5,407,452.93	5,407,452.93	
Interfund Accounts Payable:				
Due Unemployment Fund	\$ 4,148.65		4,148.65	
Due General Fund	47.78	373.82	421.60	
Total Liabilities	\$ 4,196.43	\$ 9,552,629.72	\$ 9,554,399.36	\$ 2,426.79

LONG-TERM DEBT

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2015

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance June 30, 2014	Issued	Retired	Balance June 30, 2015
			Date	Amount					
Serial Bonds:									
School District Bonds, Series of 2005	8/1/05	\$ 492,898.00	8/1/2015	\$ 67,898.00	3.90%	\$ 137,898.00		\$ 70,000.00	\$ 67,898.00
School District Bonds, Series of 2013	7/2/13	3,093,000.00	1/15/2016	135,000.00	3.00%				
			1/15/2017-19	140,000.00	3.00%				
			1/15/2020	145,000.00	3.00%				
			1/15/2021-22	150,000.00	3.00%				
			1/15/2023	155,000.00	3.00%				
			1/15/2024	160,000.00	3.00%				
			1/15/2025	165,000.00	3.25%				
			1/15/2026	170,000.00	3.25%				
			1/15/2027	175,000.00	3.25%				
			1/15/2028	180,000.00	3.25%				
			1/15/2029	185,000.00	4.00%				
			1/15/2030	190,000.00	4.00%				
			1/15/2031	195,000.00	4.00%				
			1/15/2032	205,000.00	4.00%				
			1/15/2033	208,000.00	4.00%				
						3,093,000.00		105,000.00	2,988,000.00
						<u>\$ 3,230,898.00</u>	<u>\$ -</u>	<u>\$ 175,000.00</u>	<u>\$ 3,055,898.00</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Obligation Under Capital Lease
 For the Fiscal Year Ended June 30, 2015

<u>Lease</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Interest Rate</u>	<u>Amount of Original Issue</u>		<u>Balance June 30, 2014</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2015</u>
				<u>Principal</u>	<u>Interest</u>				
Copiers	7/1/2013	60 Months	4.23%	\$ 69,289.42	\$ 7,704.98	\$ 56,576.20		\$ 13,261.40	\$ 43,314.80
Laptop Computers	7/18/2013	4 Years	3.57%	141,821.45	8,384.47	104,269.97		33,412.93	70,857.04
Laptop Computers	7/3/2014	4 Years	3.07%	163,280.00	7,478.24		\$ 163,280.00	42,689.56	120,590.44
Early Childhood Addition	10/30/2014	5 Years	1.9288%	300,000.00	16,141.29		300,000.00	28,720.99	271,279.01
						<u>\$ 160,846.17</u>	<u>\$ 463,280.00</u>	<u>\$ 118,084.88</u>	<u>\$ 506,041.29</u>

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

	<u>Original Budget</u>	<u>Budget Modifications / Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 339,264.00		\$ 339,264.00	\$ 339,264.00	
Total Revenues	<u>339,264.00</u>		<u>339,264.00</u>	<u>339,264.00</u>	
EXPENDITURES:					
Regular Debt Service:					
Redemption of Principal	175,000.00		175,000.00	175,000.00	
Interest	164,264.00		164,264.00	164,263.53	\$ 0.47
Total Regular Debt Service	<u>339,264.00</u>	-	<u>339,264.00</u>	<u>339,263.53</u>	<u>0.47</u>
Total Expenditures	<u>339,264.00</u>	-	<u>339,264.00</u>	<u>339,263.53</u>	<u>0.47</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				0.47	0.47
Fund Balance, July 1	<u>0.23</u>		<u>0.23</u>	<u>0.23</u>	
Fund Balance, June 30	<u>\$ 0.23</u>	<u>\$ -</u>	<u>\$ 0.23</u>	<u>0.70</u>	<u>\$ 0.47</u>
Recapitulation:					
Restricted Fund Balance				<u>\$ 0.70</u>	

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30									
	2015*	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities										
Net Investment in Capital Assets	\$ 4,460,737.45	\$ 4,502,141.62	\$ 5,086,013.32	\$ 4,629,329.10	\$ 4,230,246.05	\$ 3,699,786.03	\$ 3,601,902.51	\$ 3,423,941.72	\$ 3,460,935.38	\$ 3,328,264.53
Restricted	1,863,302.19	1,754,071.23	1,682,197.63	1,232,316.83	1,160,438.05	560,977.17	35,160.80	290,330.21	180,403.99	668,727.68
Unrestricted	<u>(3,380,893.42)</u>	<u>(912,706.67)</u>	<u>(908,688.22)</u>	<u>(396,024.27)</u>	<u>(873,630.78)</u>	<u>(828,816.81)</u>	<u>(627,455.36)</u>	<u>(1,062,594.29)</u>	<u>(979,300.34)</u>	<u>(1,613,863.54)</u>
Total Governmental Activities Net Position	<u>\$ 2,943,146.22</u>	<u>\$ 5,343,506.18</u>	<u>\$ 5,859,522.73</u>	<u>\$ 5,465,621.65</u>	<u>\$ 4,517,053.32</u>	<u>\$ 3,009,607.95</u>	<u>\$ 3,009,607.95</u>	<u>\$ 2,651,677.64</u>	<u>\$ 2,662,039.03</u>	<u>\$ 2,383,128.67</u>
Business-type Activities										
Net Investment in Capital Assets	\$ 100,661.45	\$ 79,909.68	\$ 57,772.65	\$ 57,213.82	\$ 26,761.29	\$ 21,449.31	\$ 2,808.22	\$ 3,873.42	\$ 5,112.62	18,711.25
Unrestricted	<u>250,338.62</u>	<u>189,277.86</u>	<u>153,216.87</u>	<u>87,170.61</u>	<u>93,212.54</u>	<u>72,137.55</u>	<u>65,930.71</u>	<u>69,846.08</u>	<u>78,640.39</u>	<u>82,492.88</u>
Total Business-type Activities Position	<u>\$ 351,000.07</u>	<u>\$ 269,187.54</u>	<u>\$ 210,989.52</u>	<u>\$ 144,384.43</u>	<u>\$ 119,973.83</u>	<u>\$ 68,738.93</u>	<u>\$ 68,738.93</u>	<u>\$ 73,719.50</u>	<u>\$ 83,753.01</u>	<u>\$ 101,204.13</u>
District-wide										
Net Investment in Capital Assets	\$ 4,561,398.90	\$ 4,582,051.30	\$ 5,143,785.97	\$ 4,686,542.92	\$ 4,257,007.34	\$ 3,721,235.34	\$ 3,604,710.73	\$ 3,427,815.14	\$ 3,466,048.00	\$ 3,346,975.78
Restricted	1,863,302.19	1,754,071.23	1,682,197.63	1,232,316.83	1,160,438.05	560,977.17	35,160.80	290,330.21	180,403.99	668,727.68
Unrestricted	<u>(3,130,554.80)</u>	<u>(723,428.81)</u>	<u>(755,471.35)</u>	<u>(308,853.66)</u>	<u>(780,418.24)</u>	<u>(756,679.26)</u>	<u>(561,524.65)</u>	<u>(992,748.21)</u>	<u>(900,659.95)</u>	<u>(1,531,370.66)</u>
Total District-wide Net Position	<u>\$ 3,294,146.29</u>	<u>\$ 5,612,693.72</u>	<u>\$ 6,070,512.25</u>	<u>\$ 5,610,006.08</u>	<u>\$ 4,637,027.15</u>	<u>\$ 3,525,533.25</u>	<u>\$ 3,078,346.88</u>	<u>\$ 2,725,397.14</u>	<u>\$ 2,745,792.04</u>	<u>\$ 2,484,332.80</u>

*Amounts for the year 2015 include the implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*.

Source: Comprehensive Annual Financial Report Exhibit A-1

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)
Unaudited

	<u>Fiscal Year Ending June 30</u>									
	<u>2015*</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 5,499,011.86	\$ 5,117,185.35	\$ 4,874,039.61	\$ 4,998,761.37	\$ 5,129,290.93	\$ 5,241,432.33	\$ 4,877,512.45	\$ 4,640,402.70	\$ 4,860,980.99	\$ 4,762,934.17
Special Education	1,264,906.23	1,377,980.58	1,434,329.67	1,378,011.33	1,326,955.97	1,330,485.79	1,268,916.31	1,042,056.45	764,783.93	685,979.05
Other Special Education	198,793.83	150,037.60	101,875.43	116,783.75	76,190.14	104,993.73	115,408.05	65,999.94	62,805.15	11,670.26
Other Instruction	244,949.36	220,083.85	201,185.49	74,704.42	73,067.43	69,815.47	70,512.59	69,097.18	68,154.75	65,192.35
Support Services:										
Tuition	585,212.38	754,940.27	654,035.54	605,678.16	616,387.21	636,621.00	749,854.53	917,190.22	746,552.40	726,504.71
Student & Instruction Related Services	1,677,189.00	1,691,307.10	1,638,036.64	1,437,959.14	1,427,507.78	1,551,926.97	1,329,130.12	1,306,492.80	1,338,677.45	1,347,268.02
School Administrative Services	438,302.12	423,733.87	386,045.19	412,123.13	403,143.86	456,772.46	501,159.73	305,709.71	408,705.57	364,577.23
General and Business Administrative Services	636,359.05	718,620.53	580,715.32	571,091.68	554,520.72	514,627.83	551,218.40	570,382.99	562,728.37	466,783.92
Plant Operations and Maintenance	1,641,228.86	1,743,605.18	1,423,585.76	1,041,246.33	1,247,031.77	1,176,342.39	1,137,806.32	958,769.77	959,866.04	872,560.73
Pupil Transportation	346,858.65	374,924.74	288,071.10	261,704.72	212,323.96	264,519.34	343,684.74	428,241.75	335,107.21	319,968.45
Unallocated Benefits	5,256,823.28	3,927,223.28	3,826,906.61	3,048,964.44	2,741,012.04	2,780,023.00	2,466,661.29	3,084,676.40	3,060,534.86	2,437,306.39
Transfer to Charter School	60,153.00	46,281.00	40,240.00							
Interest on Long-term Debt	106,869.41	118,129.95	15,202.19	25,288.96	32,753.85	45,831.35	51,889.48	59,214.49	66,131.75	62,563.77
Unallocated Depreciation and Amortization				10,018.00	10,018.00	10,018.00	10,018.00	10,018.00	10,018.00	9,851.33
Total Governmental Activities Expenses	<u>17,956,657.03</u>	<u>16,664,053.30</u>	<u>15,464,268.55</u>	<u>13,982,335.43</u>	<u>13,850,203.66</u>	<u>14,183,409.66</u>	<u>13,473,772.01</u>	<u>13,458,252.40</u>	<u>13,245,046.47</u>	<u>12,133,160.38</u>
Business-type Activities:										
Food Service	526,572.34	486,312.26	454,442.51	449,797.87	444,801.52	467,958.47	378,899.92	379,081.85	369,472.95	332,330.33
Child-Centered Activities Reinforcing Excellence (C.A.R.E.) Before and After Care Program	149,511.36	13,048.86								
Total Business-type Activities Expense	<u>676,083.70</u>	<u>499,361.12</u>	<u>454,442.51</u>	<u>449,797.87</u>	<u>444,801.52</u>	<u>467,958.47</u>	<u>378,899.92</u>	<u>379,081.85</u>	<u>369,472.95</u>	<u>332,330.33</u>
Total District Expenses	<u>\$ 18,632,740.73</u>	<u>\$ 17,163,414.42</u>	<u>\$ 15,918,711.06</u>	<u>\$ 14,432,133.30</u>	<u>\$ 14,295,005.18</u>	<u>\$ 14,651,368.13</u>	<u>\$ 13,852,671.93</u>	<u>\$ 13,837,334.25</u>	<u>\$ 13,614,519.42</u>	<u>\$ 12,465,490.71</u>

*Amounts for the year 2015 include the implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*.

Source: Comprehensive Annual Financial Report Exhibit A-2

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	<u>Fiscal Year Ending June 30</u>									
	<u>2015*</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Program Revenues										
Governmental Activities:										
Operating Grants and Contributions										
Instruction:										
Regular	\$ 1,027,662.42	\$ 1,000,576.90	\$ 823,062.75	\$ 900,988.81	\$ 933,991.43	\$ 902,783.80	\$ 817,396.94	\$ 1,131,532.45	\$ 1,118,577.59	\$ 1,126,987.49
Support Services:										
Student and Instruction Related Services	177,281.07	137,706.38	171,895.00	141,822.52	130,447.00	156,217.02	49,849.00	233,028.18	233,783.74	287,378.59
School Administrative Services			3,878.34	112,346.66			8,266.00	24,902.69	31,800.00	30,434.00
Plan Operations and Maintenance			1,440,606.89	1,233,175.85	994,402.81	1,000,777.41	99,256.00	1,771,239.57	1,723,647.09	1,238,099.23
Unallocated Benefits	3,006,048.00	1,314,350.22	1,858.14	2,810.34	3,837.22	5,549.62	6,442.85	7,313.20	8,463.07	9,046.73
Interest on Long-Term Debt		1,377.11								
	<u>4,210,991.49</u>	<u>2,454,010.61</u>	<u>2,441,301.12</u>	<u>2,391,144.18</u>	<u>2,062,678.46</u>	<u>2,065,327.85</u>	<u>981,210.79</u>	<u>3,168,016.09</u>	<u>3,116,271.49</u>	<u>2,691,946.04</u>
Capital Grants and Contributions	-	-	198,581.00	32,800.00	586,816.00	60,540.00	114,576.00		2,212.66	3,186.53
Total Governmental Activities Program Revenues	<u>4,210,991.49</u>	<u>2,454,010.61</u>	<u>2,639,882.12</u>	<u>2,423,944.18</u>	<u>2,649,494.46</u>	<u>2,125,867.85</u>	<u>1,095,786.79</u>	<u>3,168,016.09</u>	<u>3,118,484.15</u>	<u>2,695,132.57</u>
Business-type activities:										
Charges for services	399,914.76	232,799.49	228,174.76	235,540.28	243,778.93	252,803.19	165,598.04	168,322.48	169,778.28	161,419.43
Operating Grants and Contributions	357,472.76	324,406.58	291,723.34	238,236.18	227,210.51	239,655.37	207,489.69	198,686.71	180,077.00	171,363.24
Total Business-type Activities Program Revenues	<u>757,387.52</u>	<u>557,206.07</u>	<u>519,898.10</u>	<u>473,776.46</u>	<u>470,989.44</u>	<u>492,458.56</u>	<u>373,087.73</u>	<u>367,009.19</u>	<u>349,855.28</u>	<u>332,782.67</u>
Total District Program Revenues	<u>\$ 4,968,379.01</u>	<u>\$ 3,011,216.68</u>	<u>\$ 3,159,780.22</u>	<u>\$ 2,897,720.64</u>	<u>\$ 3,120,483.90</u>	<u>\$ 2,618,326.41</u>	<u>\$ 1,468,874.52</u>	<u>\$ 3,535,025.28</u>	<u>\$ 3,468,339.43</u>	<u>\$ 3,027,915.24</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (13,745,665.54)	\$ (14,210,042.69)	\$ (12,824,386.43)	\$ (11,558,391.25)	\$ (11,200,709.20)	\$ (12,057,541.81)	\$ (12,377,985.22)	\$ (10,290,236.31)	\$ (10,126,562.32)	\$ (9,438,027.81)
Business-type Activities	81,303.82	57,844.95	65,455.59	23,978.59	26,187.92	24,500.09	(5,812.19)	(12,072.66)	(19,617.67)	452.34
Total District-wide Net Expense	<u>\$ (13,664,361.72)</u>	<u>\$ (14,152,197.74)</u>	<u>\$ (12,758,930.84)</u>	<u>\$ (11,534,412.66)</u>	<u>\$ (11,174,521.28)</u>	<u>\$ (12,033,041.72)</u>	<u>\$ (12,383,797.41)</u>	<u>\$ (10,302,308.97)</u>	<u>\$ (10,146,179.99)</u>	<u>\$ (9,437,575.47)</u>

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (accrual basis of accounting)
 Unaudited

	<u>Fiscal Year Ending June 30</u>									
	<u>2015*</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 8,549,034.00	\$ 8,063,489.00	\$ 7,727,386.00	\$ 7,582,611.26	\$ 7,331,358.00	\$ 7,068,613.00	\$ 6,878,474.00	\$ 7,035,727.00	\$ 6,105,709.00	\$ 6,190,202.00
Taxes Levied for Debt Service	339,264.00	146,500.00	209,112.00	206,287.74	203,744.00	205,047.00	52,013.00	204,856.00	151,376.00	133,010.00
Unrestricted Grants and Contributions	5,228,515.93	5,180,479.28	4,925,504.64	4,392,181.14	4,903,977.60	5,334,080.43	3,258,893.00	3,025,090.60	3,036,890.00	3,353,560.65
Restricted Grants and Contributions	72,573.70	18,295.89	18,787.86	18,752.78	22,171.38	19,831.15	19,938.80	20,719.93	20,136.27	20,181.27
Investment Income	6,994.36	8,273.26	13,185.04	3,284.25	10,348.12	12,832.17	45,884.13	76,846.19	60,916.19	31,742.72
Contributions - Capital Assets		2,638.00						6,277.03		
Miscellaneous Income	68,177.59	153,670.71	343,496.81	82,698.96	8,281.15	95,511.78	24,671.99	35,956.02	56,636.58	4,695.99
Total Governmental Activities	14,264,559.58	13,573,346.14	13,237,472.35	12,285,816.13	12,479,880.25	12,735,915.53	10,279,874.92	10,405,472.77	9,431,664.04	9,733,392.63
Business-type Activities:										
Investment Earnings	508.71	353.07	1,149.50	199.05	347.84	831.62	2,039.15	2,166.55	1,588.45	806.84
Total Business-type Activities	508.71	353.07	1,149.50	199.05	347.84	831.62	2,039.15	2,166.55	1,588.45	806.84
Total District-wide	\$ 14,265,068.29	\$ 13,573,699.21	\$ 13,238,621.85	\$ 12,286,015.18	\$ 12,480,228.09	\$ 12,736,747.15	\$ 10,281,914.07	\$ 10,407,639.32	\$ 9,433,252.49	\$ 9,734,199.47
Change in Net Position										
Governmental Activities	\$ 518,894.04	\$ (636,696.55)	\$ 413,085.92	\$ 727,424.88	\$ 1,279,171.05	\$ 678,373.72	\$ (2,098,110.30)	\$ 115,236.46	\$ (694,898.28)	\$ 295,364.82
Business-type Activities	81,812.53	58,198.02	66,605.09	24,177.64	26,535.76	25,331.71	(3,773.04)	(9,906.11)	(18,029.22)	1,259.18
Total District	\$ 600,706.57	\$ (578,498.53)	\$ 479,691.01	\$ 751,602.52	\$ 1,305,706.81	\$ 703,705.43	\$ (2,101,883.34)	\$ 105,330.35	\$ (712,927.50)	\$ 296,624.00

Source: District Records

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)
Unaudited

	<u>Fiscal Year Ending June 30.</u>									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011(a)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund										
Restricted	\$ 167,859.14	\$ 1,754,071.23	\$ 1,601,384.02	\$ 1,222,655.62	\$ 457,593.89	\$ 940,151.19	\$ 588,987.66	\$ 461,488.83	\$ 37,701.87	\$ 376,123.55
Committed			203,893.85		22,395.57					
Assigned	703,794.40	249,455.97	469,993.99	658,680.83	522,468.58					
Unassigned										
Unreserved						54,467.36	99,327.82	175,087.80	609,272.69	336,505.14
Total General Fund	\$ 871,653.54	\$ 2,003,527.20	\$ 2,275,271.86	\$ 1,881,336.45	\$ 1,002,458.04	\$ 994,618.55	\$ 688,315.48	\$ 636,576.63	\$ 646,974.56	\$ 712,628.69
All Other Governmental Funds										
Restricted	\$ 1,695,443.75	\$ 0.23	\$ 9,661.21	\$ 9,661.21	\$ 504,248.28					
Unreserved, Reported in:										
Special Revenue Fund	(75,117.00)	(59,020.50)	(38,687.20)	(43,100.40)	(42,074.20)	(40,021.80)	(14,694.80)	(35,488.80)	(39,367.80)	(39,367.80)
Capital Projects Fund			(453,683.50)			29,067.50	29,067.50			166,945.38
Debt Service Fund						0.28	6,093.30		153,090.84	1.00
Total All Other Governmental Funds	\$ 1,620,326.75	\$ (59,020.27)	\$ (482,709.49)	\$ (33,439.19)	\$ 462,174.08	\$ (10,954.02)	\$ 20,466.00	\$ (35,488.80)	\$ 113,723.04	\$ 127,578.58

(a) Beginning for the fiscal year ended June 30, 2011, the School District began reporting fund balances under GASB 54.

Source: District Records

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues										
Tax levy	\$ 8,888,298.00	\$ 8,209,989.00	\$ 7,936,498.00	\$ 7,788,899.00	\$ 7,788,899.00	\$ 7,535,102.00	\$ 7,273,660.00	\$ 6,930,487.00	\$ 7,240,583.00	\$ 6,257,085.00
Interest on Capital Reserve Funds	4,390.21	4,008.05								
Interest on Investments	2,604.15	4,265.21	18,787.86	10,921.54	3,284.25	10,348.12	12,832.17	45,884.13	76,846.19	60,916.19
Miscellaneous	68,177.59	153,670.71	288,815.99	43,648.29	97,897.96	8,281.15	74,717.78	10,417.99	35,956.02	56,448.91
Local Sources - Restricted			25,000.00			25,000.00		16,105.00		
State sources	7,351,913.69	6,982,987.05	6,710,012.27	6,186,192.63	6,285,247.49	5,470,928.87	5,887,287.96	5,937,892.96	5,532,393.18	5,146,808.04
Federal sources	717,721.43	669,798.73	849,162.35	901,242.30	775,180.89	1,556,087.98	567,099.41	508,954.93	631,901.50	605,350.80
Total Revenue	17,033,105.07	16,024,718.75	15,828,276.47	14,930,903.76	14,950,509.59	14,605,748.12	13,831,702.32	13,447,891.01	13,517,679.89	12,126,608.94
Expenditures										
Instruction										
Regular Instruction	5,494,396.74	5,105,803.88	4,805,019.86	5,046,949.91	5,105,628.36	5,253,576.86	4,881,058.89	4,712,326.12	4,945,105.58	4,826,063.44
Special Education Instruction	1,269,306.23	1,363,080.58	1,434,329.67	1,378,011.33	1,326,955.97	1,330,485.79	1,268,916.31	1,042,056.45	764,783.93	685,979.05
Other Special Instruction	196,843.83	150,237.60	101,875.43	116,783.75	76,190.14	104,993.73	115,408.05	65,999.94	62,805.24	11,670.26
Other Instruction	244,299.36	219,383.85	201,185.49	74,704.42	73,067.43	69,815.47	70,512.59	69,097.18	68,154.75	65,192.35
Support Services:										
Tuition	585,212.38	754,940.27	640,745.76	605,678.16	616,387.21	636,621.00	749,854.53	917,190.22	746,552.40	726,504.71
Student and Instruction Related Services	1,688,989.00	1,699,557.10	1,632,886.64	1,438,464.14	1,443,024.44	1,559,028.65	1,335,951.13	1,300,375.30	1,370,084.95	1,319,180.52
School administrative services	433,040.12	419,483.87	417,245.19	411,323.13	403,443.86	452,102.46	485,754.66	301,597.21	398,814.66	394,924.06
Other Admin Services	607,001.75	592,737.99	569,280.41	527,876.83	547,896.42	511,730.20	546,158.40	614,198.82	495,070.52	496,672.25
Plant operations and maintenance	1,215,463.75	1,313,416.98	945,582.99	765,401.41	882,727.90	900,295.12	940,141.50	769,077.90	801,138.46	727,146.82
Pupil transportation	346,858.65	374,924.74	288,071.10	261,704.72	218,748.96	273,369.34	343,684.74	428,241.75	335,107.21	319,968.45
Unallocated benefits	3,772,361.05	3,965,001.89	3,710,652.39	3,048,964.44	2,741,012.04	2,780,023.00	2,466,661.29	3,084,676.40	3,060,534.86	2,437,306.39
Capital outlay	695,722.32	2,938,732.91	862,631.82	585,144.58	790,382.25	221,265.21	294,679.08	70,307.65	215,255.30	724,800.50
Transfer to Charter School	60,153.00	46,281.00	40,240.00							
Debt service:										
Principal	175,000.00	155,000.00	210,000.00	205,000.00	190,000.00	190,000.00	170,000.00	170,000.00	165,000.00	130,000.00
Interest and other charges	164,263.53	11,174.00	19,758.00	29,646.77	38,878.02	47,558.02	55,230.52	62,353.02	69,038.02	62,827.50
Total Expenditures	16,948,911.71	19,109,756.66	15,879,504.75	14,495,653.59	14,454,343.00	14,330,864.85	13,724,011.69	13,607,497.96	13,497,445.88	12,928,236.30
Excess (Deficiency) of Revenues Over (Under) Expenditures	84,193.36	(3,085,037.91)	(51,228.28)	435,250.17	496,166.59	274,883.27	107,690.63	(159,606.95)	20,234.01	(801,627.36)
Other Financing Sources (Uses)										
Capital Leases (Non-budgeted)	163,280.00	211,110.87								
Proceeds from Capital Lease - Capital Projects	300,000.00									
Bond Proceeds		3,031,140.00	61,860.00							492,898.00
Prior Year Bills			(13,289.78)	(51,985.03)					(52,349.66)	
Accrued Interest										187.67
Canceled Receivables		(5,268.40)	(52,676.83)		(15,199.00)				(47,394.02)	
Transfers In	1,730,159.00	4,825.58					81,115.00	372,284.00	525,372.86	344,741.00
Transfers Out	(1,730,159.00)	(4,825.58)					(81,115.00)	(372,284.00)	(525,372.86)	(344,741.00)
Total Other Financing Sources (Uses)	463,280.00	3,236,982.47	(4,106.61)	(51,985.03)	(15,199.00)	-	-	-	(99,743.68)	493,085.67
Net Change in Fund Balances	\$ 547,473.36	\$ 151,944.56	\$ (55,334.89)	\$ 383,265.14	\$ 480,967.59	\$ 274,883.27	\$ 107,690.63	\$ (159,606.95)	\$ (79,509.67)	\$ (308,541.69)
Debt Service as a Percentage of Noncapital Expenditures	2.1%	1.0%	1.5%	1.7%	1.7%	1.7%	1.7%	1.7%	1.8%	1.6%
Source: District Records										

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Book Reimbursements	\$ 407.00	\$ 418.51	\$ 654.29	\$ 299.21		\$ 278.11	\$ 606.45	\$ 678.85	\$ 2,541.13	\$ 3,954.27
Cobra Refunds										1,122.65
Donations			3,300.00				3,150.00		155.76	
E-Rate Reimbursements										4,355.99
Facilities Use	300.00	2,325.00	5,750.00	3,865.91	\$ 8,351.00					
Insurance Refunds										8,908.23
Jury Duty Reimbursements		5.00	5.00	74.10				9.00	11.00	
Miscellaneous	1,597.03	2,979.00	579.40		14,693.61	2,282.20	7,331.98	8,199.17	31,708.99	5,860.65
Proceeds From Sale of Assets	212.00	269.18	150,000.00							1,174.00
Refunds of Prior Year Expenses	11,548.01	64,243.74	35,846.95		0.20		63,461.04			18,865.04
Tuition & Tuition Refunds	54,113.55	83,430.28	98,283.17	39,409.07	74,852.95	5,720.84	91.49	1,339.58	1,329.00	11,617.08
Vendor Rebates							77.02	191.39	210.14	591.00
	<u>\$ 68,177.59</u>	<u>\$ 153,670.71</u>	<u>\$ 294,418.81</u>	<u>\$ 43,648.29</u>	<u>\$ 97,897.76</u>	<u>\$ 8,281.15</u>	<u>\$ 74,717.98</u>	<u>\$ 10,417.99</u>	<u>\$ 35,956.02</u>	<u>\$ 56,448.91</u>

Source: District Records.

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

Year Ended Dec. 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Tax Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2015	\$ 8,480,800 00	\$ 573,700,600 00	\$ 66,805,300 00	\$ 88,400,500 00	\$ 57,573,700 00	\$ 794,960,900 00	\$ 990,835 00	\$ 795,951,735 00	\$ 127,501,500 00	\$ 732,648,341 00	\$ 1.140
2014	8,431,200 00	575,853,700 00	71,734,800 00	92,182,900 00	58,073,700 00	806,276,300 00	1,148,357 00	807,424,657 00	127,172,200 00	769,783,984 00	1 059
2013	8,622,900 00	577,200,200 00	74,489,900 00	94,217,500 00	58,655,700 00	813,186,200 00	983,907 00	814,170,107 00	126,992,600 00	795,123,885 00	0 992
2012	8,623,100 00	578,828,500 00	78,980,400 00	91,645,100 00	65,648,200 00	823,725,300 00	1,068,074 00	824,793,374 00	126,622,600 00	859,545,615 00	0 953
2011	8,763,100 00	578,671,900 00	80,294,900 00	99,163,600 00	65,702,600 00	832,596,100 00	1,147,259 00	833,743,359 00	126,285,800 00	858,904,057 00	0 920
2010	8,439,300 00	577,285,300 00	83,073,000 00	99,602,300 00	65,702,600 00	834,102,500 00	1,337,997 00	835,440,497 00	126,273,500 00	855,123,775 00	1 651
2009 (3)	8,672,800 00	576,086,300 00	84,801,500 00	106,056,000 00	66,014,700 00	841,631,300 00	1,380,914 00	843,012,214 00	123,216,600 00	848,773,063 00	1 651
2008	4,030,800 00	297,552,200 00	40,861,800 00	58,522,900 00	28,582,600 00	429,550,300 00	659,045 00	430,209,345 00	53,829,800 00	865,270,803 00	1 648
2007	4,180,700 00	296,793,900 00	41,060,700 00	58,522,900 00	28,553,300 00	429,111,500 00	695,909 00	429,807,409 00	53,653,500 00	784,806,639 00	1 573
2006	4,209,600 00	296,354,500 00	40,121,500 00	58,816,900 00	28,584,700 00	428,087,200 00	808,116 00	428,895,316 00	50,735,200 00	676,241,841 00	1.475

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

(3) Revaluation

Source: Municipal Tax Assessor

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten (Fiscal) Years

(rate per \$100 of assessed value)

Unaudited

Year Ended Dec. 31	District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate (1)	General Obligation Debt Service (2)	Total Direct School Tax Rate	Regional School District	Borough of Bellmawr	County of Camden	
2015	\$ 1.097	\$ 0.043	\$ 1.140	\$ 0.499	\$ 1.117	\$ 0.803	\$ 3.559
2014	1.041	0.018	1.059	0.517	1.087	0.792	3.455
2013	0.966	0.026	0.992	0.529	1.038	0.812	3.371
2012	0.928	0.025	0.953	0.509	0.990	0.799	3.251
2011	0.895	0.025	0.920	0.464	0.934	0.665	2.982
2010	1.627	0.024	0.878	0.464	0.934	0.665	2.941
2009 (3)	1.636	0.015	1.651	0.433	0.858	0.625	3.567
2008	1.618	0.030	1.648	0.877	1.608	1.280	5.413
2007	1.525	0.048	1.573	0.885	1.435	1.283	5.176
2006	1.440	0.035	1.475	0.858	1.310	1.278	4.921

(1) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

(2) Rates for debt service are based on each year's requirements.

(3) Revaluation

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2,5 percent, whichever is greater, plus any growth adjustments.

Source: Municipal Tax Collector

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Mutual Housing Corp.	\$ 27,639,100.00	1	3.47%	\$ 13,200,400.00	2	3.09%
East Coast Hyde Park Apts. LLC (1)	11,500,000.00	2	1.44%	5,929,900.00	5	1.39%
The Korman Co.	10,923,700.00	3	1.37%	16,627,300.00	1	3.89%
South Penn Associates	8,500,000.00	4	1.07%	4,269,700.00	7	1.00%
International Paper Company	5,500,000.00	5	0.69%	N/A	N/A	N/A
151 Partners LLC (2)	4,940,000.00	6	0.62%	6,972,800.00	4	1.64%
J&J Snack Foods Corp. of N.J.	4,873,700.00	7	0.61%	2,748,200.00	8	0.64%
Spruce Manor Enterprises LLC	4,687,500.00	8	0.59%	N/A	N/A	N/A
45 Heller Road, LLC	4,195,700.00	9	0.53%	2,350,000.00	9	0.55%
GPT LLC C/O Core Logic	4,175,000.00	10	0.52%	N/A	N/A	N/A
Walgreens/Barnard Co.	N/A	N/A	N/A	2,300,000.00	10	0.54%
Williamette Industries	N/A	N/A	N/A	4,679,000.00	6	1.09%
Interstate Holding Corp.	N/A	N/A	N/A	7,574,000.00	3	1.78%
Total	\$ 86,934,700.00		10.92%	\$ 66,651,300.00		15.61%

(1) Nine years ago, this property was reported as Hyde Park Apts LLC

(2) Nine years ago, this property was owned by Holt, Reinhart & Winston. In recent years it was owned by Houghton Mifflin Harcourt Publishing.

Source: Municipal Tax Assessor

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
 Unaudited

Fiscal Year <u>Ended June 30,</u>	School Taxes Levied for the <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		Collections in <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2015	\$ 8,888,298.00	\$ 8,888,298.00	100.00%	
2014	8,209,989.00	8,209,989.00	100.00%	
2013	7,936,498.00	7,936,498.00	100.00%	
2012	7,788,899.00	7,788,899.00	100.00%	
2011	7,788,899.00	7,683,271.00	98.64%	\$ 105,628.00
2010	7,535,102.00	7,535,102.00	100.00%	
2009	7,273,660.00	7,273,660.00	100.00%	
2008	6,930,487.00	6,930,487.00	100.00%	
2007	7,240,583.00	7,240,583.00	100.00%	
2006	6,257,085.00	6,257,085.00	100.00%	

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

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

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		<u>Total District</u>	Percentage of Personal Income (2)	<u>Per Capita (3)</u>
	<u>General Obligation Bonds (1)</u>	<u>Certificates of Participation</u>	<u>Capital Leases</u>	<u>Bond Anticipation Notes (BANs)</u>	<u>Capital Leases</u>			
2015	\$ 3,055,898.00		\$ 506,041.29			\$ 3,561,939.29	Unavailable	Unavailable
2014	3,230,898.00		160,846.17			3,391,744.17	Unavailable	Unavailable
2013	292,898.00					292,898.00	0.06%	\$ 25.42
2012	502,898.00					502,898.00	0.10%	43.53
2011	707,898.00				\$ 3,051.43	710,949.43	0.14%	61.43
2010	897,898.00				14,666.56	912,564.56	0.19%	78.81
2009	1,087,898.00					1,087,898.00	0.22%	97.05
2008	1,257,898.00					1,257,898.00	0.27%	112.43
2007	1,422,898.00					1,422,898.00	0.31%	127.07
2006	1,592,898.00					1,592,898.00	0.36%	142.34

Sources:

- (1) District's Records. Includes Early Retirement Incentive Plan (ERIP) refunding through June 30, 2014
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per capita personal income by municipality-estimated based upon 2010 census published

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
 Unaudited

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>	<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value of Property</u>	<u>Per Capita (2)</u>
2015	\$ 3,055,898.00		\$ 3,055,898.00	0.38%	Unavailable
2014	3,230,898.00		3,230,898.00	0.40%	282.08
2013	292,898.00		292,898.00	0.04%	25.42
2012	502,898.00		502,898.00	0.06%	43.53
2011	707,898.00		707,898.00	0.08%	61.16
2010	897,898.00		897,898.00	0.11%	77.55
2009	1,087,898.00		1,087,898.00	0.13%	97.05
2008	1,257,898.00		1,257,898.00	0.29%	112.43
2007	1,422,898.00		1,422,898.00	0.33%	127.07
2006	1,592,898.00		1,592,898.00	0.37%	142.34

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

- (1) See Exhibit J-6 for property tax data.
- (2) Population data can be found in Exhibit J-14.

Source: District Records.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2014
Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Borough of Bellmawr</u>
Municipal Debt: (1)				
Borough of Bellmawr School District	\$ 3,160,898.00	\$ 3,160,898.00		
Black Horse Pike Regional School District	2,104,564.22	2,104,564.22		
Borough of Bellmawr Water & Sewer Utility	1,356,306.05	1,356,306.05		
Borough of Bellmawr	<u>13,024,484.92</u>	<u>264,364.67</u>	<u>\$ 12,760,120.25</u>	<u>\$ 12,760,120.25</u>
	<u>19,646,253.19</u>	<u>6,886,132.94</u>	<u>12,760,120.25</u>	<u>12,760,120.25</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (2)				
General:				
Bonds	39,504,000.00	15,276,822.00 (3)	24,227,178.00	502,193.85 (5)
Loan Agreement	222,633,220.00		222,633,220.00	4,614,860.00 (5)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>675,337,694.00</u>	<u>675,337,694.00 (4)</u>		
	<u>937,474,914.00</u>	<u>690,614,516.00</u>	<u>246,860,398.00</u>	<u>5,117,053.85</u>
	<u>\$ 957,121,167.19</u>	<u>\$ 697,500,648.94</u>	<u>\$ 259,620,518.25</u>	<u>\$ 17,877,174.10</u>

Sources:

- (1) 2014 Annual Debt Statement as revised
- (2) County's 2014 Audit Report
- (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
- (4) Deductible in accordance with N.J.S. 40:37A-80.
- (5) Such debt is allocated as a proportion of the Borough's share of the total 2014 Equalized Value, which is 2.07%.

The source for this computation was the 2014 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2015

	Equalized valuation basis (1)
	2014 \$ 739,160,524
	2013 772,183,268 00
	2012 <u>801,055,431</u>
	[A] \$ 2,312,399,223
	Average equalized valuation of taxable property [A/3] \$ 770,799,741
	Debt limit (3 0 % of average equalization value) (2) [B] 23,123,992
	Total Net Debt Applicable to Limit [C] <u>3,160,898</u>
	Legal Debt Margin [B-C] \$ <u>19,963,094</u>

	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debt limit	\$ 23,123,992.23	\$ 24,374,655.00	\$ 25,201,582.18	\$ 25,758,993.87	\$ 25,534,329.23	\$ 25,586,721 91	\$ 24,803,574 97	\$ 23,068,117.37	\$ 20,106,269.28	\$ 17,306,929 93
Total net debt applicable to limit (3)	<u>3,055,898.00</u>	<u>3,230,898.00</u>	<u>292,898.00</u>	<u>502,898.00</u>	<u>707,898.00</u>	<u>897,898 00</u>	<u>1,087,898 00</u>	<u>1,257,898.00</u>	<u>1,422,898.00</u>	<u>1,592,898 00</u>
Legal debt margin	<u>\$ 20,068,094.23</u>	<u>\$ 21,143,757.00</u>	<u>\$ 24,908,684.18</u>	<u>\$ 23,715,676.97</u>	<u>\$ 21,645,219.37</u>	<u>\$ 18,683,371 28</u>	<u>\$ 15,714,031 93</u>	<u>\$ 14,227,738.86</u>	<u>\$ 13,142,521.19</u>	<u>\$ 12,469,909 00</u>
Total net debt applicable to the limit as a percentage of debt limit	13.22%	13.26%	3.51%	6.17%	7.08%	9.20%	7.96%	9.38%	10.58%	7.19%

Sources:
 (1) Equalized valuation bases were provided by 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

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Demographic and Economic Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2015	Unavailable	Unavailable	Unavailable	Unavailable
2014	11,454	Unavailable	Unavailable	7.60%
2013	11,521	\$ 524,712,424.00	\$ 45,544.00	9.00%
2012	11,553	520,612,839.00	45,063.00	9.10%
2011	11,574	511,906,446.00	44,229.00	9.00%
2010	11,579	488,981,170.00	42,230.00	9.10%
2009	11,210	471,223,560.00	42,036.00	8.70%
2008	11,188	470,522,528.00	42,056.00	5.50%
2007	11,198	456,856,004.00	40,798.00	4.20%
2006	11,191	440,634,434.00	39,374.00	4.50%

Source:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development (July 1)
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income by municipality-estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Principal Employers
Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>
Country Home Bakers, LLC	250	1	4.53%	250	1	8.24%
J&J Snack Foods Corp.	150	2	2.72%	150	5	4.94%
Green Force Media LLC (Evergreen Printing Co.)	141	3	2.56%	200	3	6.59%
International Paper Company (1)	137	4	2.49%	137	6	4.52%
Houghton Mifflin Harcourt Publishing Co.	125	5	2.27%	125	9	4.12%
Red Line Officials	124	6	2.25%			
Senior Choice Inc.	115	7	2.09%			
Camden Iron & Metal LLC	100	8	1.81%			
D'Orazio Foods, Inc.	75	9	1.36%			
Able Network Inc.	62	10	1.12%			
Elite Mailing & Fulfillment Service, Inc.				220	2	7.25%
Woodman of the World Life Insurance Society				200	4	6.59%
Ginsey Industries Inc.				135	7	4.45%
Mae Holding Company				130	8	4.28%
Jessmar Holding Inc.				100	10	3.30%
	<u>1,279</u>		<u>23.20%</u>	<u>1,647</u>		<u>54.28%</u>

Source: D&B Regional Business Directory published by Dun & Bradstreet, Inc.

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
 Unaudited

<u>Function/Program</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Instruction										
Regular	74	74	63.5	70	69	68	69	67	66	69
Special education	29	31	33	23	21	20	21	21	20	19
Support Services:										
Tuition										
Student & instruction related services	14	13.5	14							
General administrative services	2	2	2	1	1	1	1	2	2	2
School administrative services	7	7	7	10.5	10.5	10.5	10.5	10.5	9.5	5
Business administrative services	3	3	3	3	3	3	3	3	3	3
Plant operations and maintenance	9.5	9.5	9.5	8.5	8.5	8.5	8.5	8.5	8.5	8
Total	138.5	140	132	116	113	111	113	112	109	106

Source: District Personnel Records

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Enrollment	Operating Expenditures (1)	Cost Per Pupil	Percentage Change	Teaching Staff (2)	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) (3)	Average Daily Attendance (ADA) (3)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2015	1,161	\$ 15,913,925.86	\$ 13,707.09	-2.97%	87	1:15	1:12	1,169.7	1,110.7	3.25%	94.96%
2014	1,133	16,004,849.75	14,126.08	6.42%	86	1:14	1:12	1,139.1	1,075.7	2.67%	94.43%
2013	1,114	14,787,114.93	13,273.89	10.16%	80.5	1:15	1:12	1,093.7	1,047.7	-2.43%	95.79%
2012	1,135	13,675,862.24	12,049.22	2.60%	93	1:13	1:12	1,122.3	1,073.8	-0.73%	95.68%
2011	1,144	13,435,082.73	11,743.95	-5.27%	90	1:13	1:12	1,139.1	1,081.7	3.12%	94.96%
2010	1,119	13,872,041.62	12,396.82	6.84%	88	1:13	1:12	1,116.6	1,049.0	1.69%	93.95%
2009	1,138	13,204,102.09	11,602.90	-8.34%	90	1:12	1:13	1,088.0	1,031.6	3.57%	94.82%
2008	1,051	13,304,837.29	12,659.22	2.74%	88	1:10	1:11	1,054.0	996.0	-1.81%	94.50%
2007	1,059	13,048,152.56	12,321.20	6.48%	86	1:13	1:12	1,059.4	1,014.4	1.70%	95.75%
2006	1,038	12,010,608.30	11,570.91	11.34%	76	1:14	1:14	1,038.7	997.4	-1.24%	96.02%

Sources: District records

Note: Enrollment based on annual October district count.

- (1) Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- (2) Teaching staff includes only full-time equivalents of certificated staff.
- (3) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>District Building</u>										
<u>Middle School</u>										
Bell Oaks School (1969)										
Square Feet	61,855	61,855	61,855	61,855	61,855	61,855	61,855	61,855	61,855	61,855
Capacity (students)	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057
Enrollment	452	428	435	461	482	482	502	456	455	458
<u>Elementary Schools</u>										
Bellmawr Park School (1943)										
Square Feet	37,415	37,415	37,415	37,415	37,415	37,415	37,415	37,415	37,415	37,415
Capacity (students)	762	762	762	762	762	762	762	762	762	762
Enrollment	399	390	375	291	362	362	365	332	361	348
Ethel M. Burke School (1889)										
Square Feet	27,279	27,279	27,279	27,279	27,279	27,279	27,279	27,279	27,279	27,279
Capacity (students)	451	451	451	451	451	451	451	451	451	451
Enrollment	310	315	304	383	275	275	271	263	262	232
Number of Schools at June 30, 2015										
Elementary = 2										
Middle School = 1										

Source: District records, ASSA

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
 Unaudited

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

<u>School Facilities</u>	<u>Project #(s)</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Bell Oaks School	N/A	\$121,842.87	\$196,473.84	\$ 52,768.90	\$126,851.72	\$106,136.21	\$ 98,479.15	\$114,536.25	\$ 51,549.33	\$ 63,850.41	\$ 63,273.26
Bellmawr Park School	N/A	115,106.02	89,053.56	33,630.20	14,509.00	36,728.79	42,344.63	47,248.61	20,679.01	27,090.13	15,128.51
Ethel M. Burke School	N/A	104,271.10	109,804.84	46,989.45	14,508.00	36,157.16	37,818.34	30,858.27	22,366.62	33,773.37	18,814.17
Total School Facilities		341,219.99	395,332.24	133,388.55	155,868.72	192,643.13	94,594.96	192,643.13	94,594.96	124,713.91	97,215.94
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		\$ 341,219.99	\$ 395,332.24	\$ 133,388.55	\$ 155,868.72	192,643.13	\$ 94,594.96	\$ 192,643.13	\$ 94,594.96	\$ 124,713.91	\$ 97,215.94

* 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

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Insurance Schedule

June 30, 2015

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Commercial Package Policy (School Alliance Insurance Fund)		
Property Section:		
Blanket Building & Business Personal Property	\$ 22,432,936.00	\$ 2,500.00
General Liability Section:		
Personal and Advertising Injury Limit	5,000,000.00	
Bodily Injury and Property Damage Limit (Each Occurrence)	5,000,000.00	
Products and Completed Operations Limit (Annual Aggregate)	5,000,000.00	
Premises Pollution Section:		
Per Claim including Remediation Costs or Legal Defense	1,000,000.00	
Self Insured Retention	10,000.00	
Commercial Crime Section:		
Employee Dishonesty Coverage (per employee)	500,000.00	1,000.00
Business Auto Section:		
Auto Liability Limit	5,000,000.00	
Commercial Excess/ Umbrella Section:		
Liability Limit (Each occurrence)	5,000,000.00	
School District Legal Liability Policy (School Alliance Insurance Fund)		
Limit of Liability each policy period. Deductible each claim.	5,000,000.00	5,000.00
Workers Compensation Policy (School Alliance Insurance Fund)		
Bodily Injury by Accident (each)	2,000,000.00	
Bodily Injury by Disease (aggregate limit)	2,000,000.00	
Bodily Injury by Disease (each employee)	2,000,000.00	
Student Accident Policies (National Union Fire Ins./ McCloskey Ins. Co.)		
Compulsory Student Accident Coverage		
Full Excess - Maximum Benefit (per accident/ no deductible)	1,000,000.00	
Surety Bonds (The Ohio Casualty Insurance Company)		
School Business Administrator/ Board Secretary, Amy Capriotti	200,000.00	

SINGLE AUDIT SECTION

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND
STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Borough of Bellmawr School District
Bellmawr, New Jersey 08031

Report on Compliance for Each Major Federal and State Program

We have audited the Borough of Bellmawr School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 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

Our responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and State of New Jersey Circular 15-08-OMB, *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 15-08-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Bellmawr School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the Borough of Bellmawr School District 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

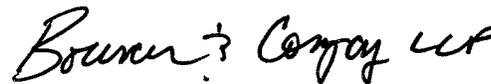
Management of the Borough of Bellmawr School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Scott P. Barron
Certified Public Accountant
Public School Accountant No. CS 02459

Voorhees, New Jersey
December 9, 2015

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 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		Balance June 30, 2014
				From	To	
General Fund						
U.S. Department of Health and Human Services:						
ARRA - Medical Assistance Program	93.778	N/A	\$ 9,414.25	10/01/08	12/31/10	
Medical Assistance Program	93.778	N/A	46,700.18	07/01/14	06/30/15	
Total General Fund						
Special Revenue Fund:						
U.S. Department of Education:						
Passed-through State Department of Education:						
No Child Left Behind (NCLB):						
Title I, Part A:						
Title I, Part A	84.010	NCLB026014	315,781.00	07/01/13	06/30/14	\$ (86,296.00)
Title I, Part A	84.010	NCLB026015	310,495.00	07/01/14	06/30/15	
Total Title I, Part A Cluster						(86,296.00)
Title II, Part A, Improving Teacher Quality						
Title II, Part A, Improving Teacher Quality	84.367	NCLB026014	37,752.00	07/01/13	06/30/14	(9,500.00)
Title II, Part A, Improving Teacher Quality	84.367	NCLB026015	37,701.00	07/01/14	06/30/15	
Total Title II, Part A						(9,500.00)
Title III, Part A, English Language						
Title III, Part A, English Language	84.365	NCLB026014	14,681.00	07/01/13	06/30/14	(5,732.00)
Title III, Part A, English Language	84.365	NCLB026015	13,809.00	07/01/14	06/30/15	
Total Title III, Part A						(5,732.00)
Total No Child Left Behind (NCLB)						(101,528.00)
I.D.E.I.A. Part B:						
Basic	84.027	DEA026014	265,742.00	07/01/13	06/30/14	(24,745.00)
Basic	84.027	DEA026015	288,684.00	07/01/14	06/30/15	
Preschool Incentive	84.173	DEA026015	11,598.00	07/01/14	06/30/15	
Total I.D.E.I.A. Part B Cluster						(24,745.00)
Total U.S. Department of Education						(126,273.00)
Total Special Revenue Fund						(126,273.00)
Enterprise Fund:						
U.S. Department of Agriculture:						
Passed-through State Department of Education:						
Child Nutrition Cluster:						
Non-Cash Assistance (Food Distribution):						
National School Lunch Program	10.555	N/A	27,889.59	07/01/13	06/30/14	3,259.91
National School Lunch Program	10.555	N/A	28,320.86	07/01/14	06/30/15	
Non-Cash Assistance Subtotal						3,259.91
Cash Assistance:						
National School Lunch Program	10.555	N/A	230,019.02	07/01/13	06/30/14	(19,774.86)
National School Lunch Program	10.555	N/A	245,580.46	07/01/14	06/30/15	
After School Snack Program						
After School Snack Program	10.555	N/A	3,645.62	07/01/14	06/30/15	
School Breakfast Program						
School Breakfast Program	10.553	N/A	60,667.88	07/01/13	06/30/14	(6,233.30)
School Breakfast Program	10.553	N/A	74,117.35	07/01/14	06/30/15	
Cash Assistance Subtotal						(26,008.16)
Total U.S. Department of Agriculture						(22,748.25)
Total Enterprise Fund						(22,748.25)
Total Federal Financial Assistance						\$ (149,021.25)

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

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

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments (A)	Repayment of Prior Years' Balances	Balance June 30, 2015		Due to Grantor at June 30, 2015
					(Accounts Receivable)	Unearned Revenue	
	\$ 9,414.25	\$ (9,414.25)			\$ (17,470.51)		
	29,229.67	(46,700.18)					
	38,643.92	(56,114.43)			(17,470.51)		
\$ (10,000.00)	96,296.00						
10,000.00	210,709.00	(310,495.00)			(89,786.00)		
	307,005.00	(310,495.00)			(89,786.00)		
	9,500.00						
	36,201.00	(37,701.00)			(1,500.00)		
	45,701.00	(37,701.00)			(1,500.00)		
	5,732.00						
	12,861.00	(13,809.00)			(948.00)		
	18,593.00	(13,809.00)			(948.00)		
	371,299.00	(362,005.00)			(92,234.00)		
	24,745.00						
	270,313.00	(288,684.00)			(18,371.00)		
	11,598.00	(11,598.00)					
	306,656.00	(300,282.00)			(18,371.00)		
	677,955.00	(662,287.00)			(110,605.00)		
	677,955.00	(662,287.00)			(110,605.00)		
		(3,259.91)					
	27,451.32	(25,060.95)				\$ 2,390.37	
	27,451.32	(28,320.86)				2,390.37	
	17,799.37				(1,975.49)		
	198,371.72	(245,580.46)			(47,208.74)		
	2,892.38	(3,645.62)			(753.24)		
	5,707.09				(526.21)		
	59,746.00	(74,117.35)			(14,371.35)		
	284,516.56	(323,343.43)			(64,835.03)		
	311,967.88	(351,664.29)			(64,835.03)	2,390.37	
	311,967.88	(351,664.29)			(64,835.03)	2,390.37	
\$ -	\$ 1,028,566.80	\$ (1,070,065.72)	\$ -	\$ -	\$ (192,910.54)	\$ 2,390.37	\$ -

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2015

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Local Match	Grant Period		Unearned Revenue / (Accounts Receivable)	Due to Grantor
				From	To		
						<u>Balance June 30 2014</u>	
General Fund							
New Jersey Department of Education:							
Current Expense:							
State Aid - Public Cluster:							
Equalization Aid	14-495-034-5120-078	\$ 4,175,821 00		07/01/13	06/30/14	\$ (389,576.89)	
Equalization Aid	15-495-034-5120-078	4,175,821 00		07/01/14	06/30/15		
Choice Aid	14-495-034-5120-068	150,135 00		07/01/13	06/30/14	(14,006.62)	
Choice Aid	15-495-034-5120-068	140,126 00		07/01/14	06/30/15		
Security Aid	14-495-034-5120-084	56,414 00		07/01/13	06/30/14	(5,263.06)	
Security Aid	15-495-034-5120-084	56,414 00		07/01/14	06/30/15		
Special Education Categorical Aid	14-495-034-5120-089	602,816 00		07/01/13	06/30/14	(56,238.81)	
Special Education Categorical Aid	15-495-034-5120-089	602,816 00		07/01/14	06/30/15		
Under Adequacy Aid	14-495-034-5120-096	104,103 00		07/01/13	06/30/14	(9,712.13)	
Under Adequacy Aid	15-495-034-5120-096	104,103 00		07/01/14	06/30/15		
PARCC Readiness Aid	15-495-034-5120-098	10,720 00		07/01/14	06/30/15		
Per Pupil Growth Aid	15-495-034-5120-097	10,720 00		07/01/14	06/30/15		
Total State Aid - Public Cluster						<u>(474,797.51)</u>	
Transportation Aid:							
Transportation Aid	14-495-034-5120-014	9,872 00		07/01/13	06/30/14	(920.99)	
Transportation Aid	15-495-034-5120-014	9,872 00		07/01/14	06/30/15		
Additional Non Public School Transportation Aid	14-495-034-5120-014	10,987 00		07/01/13	06/30/14	(10,987.00)	
Additional Non Public School Transportation Aid	15-495-034-5120-014	10,933 00		07/01/14	06/30/15		
Total Transportation Aid						<u>(11 907.99)</u>	
Extraordinary Special Education Costs Aid							
Extraordinary Special Education Costs Aid	14-100-034-5120-473	19,903 00		07/01/13	06/30/14	(19,903.00)	
Extraordinary Special Education Costs Aid	15-100-034-5120-473	39,476 00		07/01/14	06/30/15		
Total Extraordinary Special Education Costs Aid						<u>(19,903.00)</u>	
Payment for Institutionalized Children - Unknown District of Residence							
	15-495-034-5120-005	23,903 00		07/01/14	06/30/15		
Total Payment for Institutionalized Children - Unknown District of Residence							
Reimbursed TPAF Social Security Contributions							
	15-495-034-5094-003	507,210 38		07/01/14	06/30/15		
Total Reimbursed TPAF Social Security Contributions							
Total General Fund						<u>(506,608.50)</u>	
Special Revenue Fund							
New Jersey Department of Education:							
Preschool Education Aid	14-495-034-5120-086	643,965 67		07/01/13	06/30/14	(48,992.94)	
Preschool Education Aid	15-495-034-5120-086	751,170 00		07/01/14	06/30/15		
Total Special Revenue Fund						<u>(48 992.94)</u>	
Capital Projects Fund							
School Development Authority:							
Ethel Burke Elementary School New Windows	0260-030-10-1002	191,671 00		08/30/10	Completion	(191,671.00)	
Bellmawr Park Elementary School New Windows	0260-020-10-1001	205,394 00		08/30/10	Completion	(205,394.00)	
Regular Operating District Grants - Bellmawr Park School Preschool Addition	0260-020-14-1001	725,737 00	\$ 2,030,159.00	01/22/15	Completion		
Total Capital Projects Fund						<u>(397,065.00)</u>	
Food Service Enterprise Fund							
New Jersey Department of Agriculture:							
National School Lunch Program (State Share)	14-100-010-3350-023	5,807.40		07/01/13	06/30/14	(778.12)	
National School Lunch Program (State Share)	15-100-010-3350-023	5,808.47		07/01/14	06/30/15		
Total Food Service Enterprise Fund						<u>(778.12)</u>	
Total State Financial Assistance subject to Major Program Determination for State Single Audit						<u>(953,444.56)</u>	

Carryover / (Walkover) Amount	Balance June 30, 2015							Memo	
	Cash Received	Budgetary Expenditures	Adjustments (A)	Repayment of Prior Years' Balances	(Accounts Receivable)	Unearned Revenue/	Due to Grantor	Budgetary Receivable June 30, 2015	Cumulative Total Expenditures
\$ 389,576.89									\$ (4,175,821 00)
3,776,899.79		\$ (4,175,821 00)			\$ (398,921.21)			\$ (398,921.21)	(4,175,821 00)
14,006.62									(150,135 00)
126,739.59		(140,126 00)			(13,386.41)			(13,386.41)	(140,126 00)
5,263.06									(56,414 00)
51,024.70		(56,414 00)			(5,389.30)			(5,389.30)	(56,414 00)
56,238.81									(602,816 00)
545,228.26		(602,816 00)			(57,587.74)			(57,587.74)	(602,816 00)
9,712.13									(104,103 00)
94,157.92		(104,103 00)			(9,945.08)			(9,945.08)	(104,103 00)
9,695.91		(10,720 00)			(1,024.09)			(1,024.09)	(10,720 00)
9,695.91		(10,720 00)			(1,024.09)			(1,024.09)	(10,720 00)
5,088,239.59		(5,100,720 00)			(487,277.92)			(487,277.92)	(10,190,009 00)
920.99									(9,872 00)
8,928.92		(9,872 00)			(943.08)			(943.08)	(9,872 00)
10,987.00									(10,987 00)
		(10,933 00)			(10,933.00)			(10,933.00)	(10,933 00)
20,836.91		(20,805 00)			(11,876.08)			(11,876.08)	(41,664 00)
19,903.00									(19,903 00)
		(39,476 00)			(39,476.00)			(39,476.00)	(39,476 00)
19,903.00		(39,476 00)			(39,476.00)			(39,476.00)	(59,379 00)
		(23,903 00)			(23,903.00)			(23,903.00)	(23,903 00)
		(23,903 00)			(23,903.00)			(23,903.00)	(23,903 00)
481,909.46		(507,210 38)			(25,300.92)			(25,300.92)	(507,210 38)
481,909.46		(507,210 38)			(25,300.92)			(25,300.92)	(507,210 38)
5,610,888.96		(5,692,114 38)			(587,833.92)			(587,833.92)	(10,822,165 38)
59,020.50						\$ 10,027 56			(386,872 00)
676,053.00		(742,211.77)			(75,117.00)	8,958 23		(75,117.00)	(742,211.77)
735,073.50		(742,211.77)			(75,117.00)	18,985.79		(75,117.00)	(1,129,083.77)
191,671.00									(344,703 95)
205,394.00									(370,031 34)
2,102,732.70		(407,289 65)			(653,163.30)	2,348,606 35		(653,163.30)	(407,289 65)
2,499,797.70		(407,289 65)	-		(653,163.30)	2,348,606 35		(653,163.30)	(1,122,024 94)
731.07					(47.05)			(47.05)	(5,807.40)
4,557.62		(5,808.47)			(1,250.85)			(1,250.85)	(5,808.47)
5,288.69		(5,808.47)			(1,297.90)			(1,297.90)	(11,615 87)
8,851,048.85		(6,847,424 27)	-		(1,317,412.12)	2,367,592.14		(1,317,412.12)	(13,084,889 96)

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2015

<u>State Grantor / Program Title</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Local Match</u>	<u>Grant Period</u>		<u>Balance June 30 2014</u>	
				<u>From</u>	<u>To</u>	<u>Unearned Revenue / (Accounts Receivable)</u>	<u>Due to Grantor</u>
State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of the Treasury:							
On-behalf T.P.A.F. Pension Contributions - Normal Cost	15-495-034-5094-006	\$ 344,650 00		07/01/14	06/30/15		
On-behalf T.P.A.F. Pension Contributions - Post-Retirement Medical	15-495-034-5094-001	547,131 00		07/01/14	06/30/15		
Total General Fund (Non-Cash Assistance)							
Total State Financial Assistance						<u>\$ (953,444.56)</u>	<u>\$ -</u>

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance.

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

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments (A)	Balance June 30, 2015				Memo	
				Repayment of Prior Years' Balances	(Accounts Receivable)	Unearned Revenue/	Due to Grantor	Budgetary Receivable June 30 2015	Cumulative Total Expenditures
	\$ 344,650.00	\$ (344,650.00)							\$ (344,650.00)
	547,131.00	(547,131.00)							(547,131.00)
	891,781.00	(891,781.00)							(891,781.00)
<u>\$ -</u>	<u>\$ 9,742,829.85</u>	<u>\$ (7,739,205.27)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,317,412.12)</u>	<u>\$ 2,367,592.14</u>	<u>\$ -</u>	<u>\$ (1,317,412.12)</u>	<u>\$ (13,976,670.96)</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2015

Note 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Borough of Bellmawr School District (hereafter referred to as the "School District"). The School District is defined in note 1 to the School District'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.

Note 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 following exceptions: programs recorded in the capital projects fund are presented on the modified accrual basis of accounting and programs recorded in the Food Service and Child-Centered Activities Reinforcing Excellence (C.A.R.E.) funds 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 States, 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.

Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile revenues from the budgetary basis to the GAAP basis is (\$12,502.50) for the general fund and (\$34,944.66) for the special revenue fund. The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is zero for the general fund and (\$18,848.16) 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.

Note 3: RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 56,114.43	\$ 6,583,895.38	\$ 6,640,009.81
Special Revenue	661,607.00	707,947.11	1,369,554.11
Capital Projects Fund		407,289.65	407,289.65
Food Service	<u>351,664.29</u>	<u>5,808.47</u>	<u>357,472.76</u>
Total Awards and Financial Assistance	<u>\$ 717,721.43</u>	<u>\$ 7,699,132.14</u>	<u>\$ 8,416,853.57</u>

Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 5: ADJUSTMENTS

There were no adjustments made on the schedules of expenditures of federal awards and state financial assistance during the fiscal year ended June 30, 2015.

Note 6: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2015, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the Federal Food Distribution Program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF members.

Note 7: MAJOR PROGRAMS

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

BOROUGH OF BELLMAWR 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, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2015

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

None.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2015

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 15-08-OMB.

None.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARDS

Finding No. 2014-001

Program

Title I, Part A (CFDA No. 84-010)

Condition

Prior to adoption in April 2014, the School District did not have formal written policies for the prevention of contracting with disbarred vendors and for requesting reimbursement from the Electronic Web Enabled Grant System.

Until implementing corrective action after April 2014, the School District followed only New Jersey Public School Contracts Laws for procurement with federal funds.

There are some teachers assigned to departmentalized Grades 6-8 who do not meet the highly qualified teacher qualifications and licensure requirements for Title I schools.

Current Status

These conditions have been resolved.

Finding No. 2014-002

Program

National School Lunch Program (CFDA 10.555), Food Distribution Program (CFDA 10.555), School Breakfast Program (10.553).

Condition

Net cash resources exceeded three months average expenditures. Reconciliation between source documentation for meals served and data check worksheets for the electronic reporting of meal counts in SNEARS was not performed and as a result, the meal counts for the month of March 2014 were under reported.

Current Status

This condition has been resolved.

STATE FINANCIAL ASSISTANCE PROGRAMS

None.

