

SCHOOL DISTRICT  
OF  
**HADDONFIELD**



Haddonfield Board of Education  
Haddonfield, New Jersey

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

**Comprehensive Annual  
Financial Report**

of the

**Haddonfield Board of Education  
Haddonfield, New Jersey**

**For the Fiscal Year Ended June 30, 2015**

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

# HADDONFIELD SCHOOL DISTRICT

## INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	2
Organizational Chart	8
Roster of Officials	9
Consultants and Advisors	10

## FINANCIAL SECTION

<b>Independent Auditor's Report</b>	12
<b>K-1 Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards</b>	15
<b>Required Supplementary Information - Part I Management's Discussion and Analysis</b>	18
<b>Basic Financial Statements</b>	
A. District-wide Financial Statements:	
A-1 Statement of Net Position	28
A-2 Statement of Activities	29
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	31
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	32
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Proprietary Funds:	
B-4 Statement of Net Position	34
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	35
B-6 Statement of Cash Flows	36
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	37
B-8 Statement of Changes in Fiduciary Net Position	38
<b>Notes to the Financial Statements</b>	39

**Required Supplementary Information - Part II**

C.	Budgetary Comparison Schedules	
C-1	Budgetary Comparison Schedule - General Fund	66
C-1a	Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (if applicable)	N/A
C-2	Budgetary Comparison Schedule - Special Revenue Fund	72
	<b>Notes to the Required Supplementary Information</b>	
C-3	Budget-to-GAAP Reconciliation	73

**Required Supplementary Information - Part III**

L.	Schedules Related to Accounting and Reporting for Pensions (GASB-68)	
L-1	Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System	75
L-2	Schedule of the District Contributions - Public Employees Retirement System	76
L-3	Schedule of the District's Proportionate Share of the Net Pension Liability - Teachers' Pension and Annuity Fund	77
	<b>Notes to the Required Supplementary Information - Part III</b>	78

**Other Supplementary Information**

D.	School Level Schedules :	N/A
E.	Special Revenue Fund:	
E-1	Combining Schedule of Revenues and Expenditures Special Revenue Fund - Budgetary Basis	81
E-2	Preschool Education Aid Schedule of Expenditures - Budgetary Basis	N/A
F.	Capital Projects Fund:	
F-1	Summary Statement of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	85
F-2	Summary Statement of Project Expenditures	98
G.	Proprietary Fund:	
	Enterprise Fund:	
G-1	Combining Statement of Net Position	100
G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	101
G-3	Combining Statement of Cash Flows	102
H.	Fiduciary Funds:	
H-1	Combining Statement of Fiduciary Net Position	104
H-2	Combining Statement of Changes in Fiduciary Net Position	105
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	106
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	107

I.	Long-Term Debt:	
I-1	Schedule of Serial Bonds	109
I-2	Schedule of Obligations under Capital Leases	111
I-3	Budgetary Comparison Schedule	112

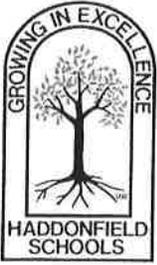
**STATISTICAL SECTION (Unaudited)**

J-1	Net Position by Component	114
J-2	Changes in Net Postion, Last Ten Fiscal Years	115
J-3	Fund Balances, Governmental Funds, Last Ten Fiscal Years	117
J-4	Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	118
J-5	General Fund - Other Local Revenue by Source, Last Ten Fiscal Years	119
J-6	Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years	120
J-7	Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	121
J-8	Principal Property Tax Payers, Current Year and Nine Years Ago	122
J-9	Property Tax Levies and Collections, Last Ten Fiscal Years	123
J-10	Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	124
J-11	Ratios of Net General Bonded Debt Outstanding, Last Ten Fiscal Years	125
J-12	Ratios of Overlapping Governmental Activities Debt, As of December 31, 2014	126
J-13	Legal Debt Margin Information, Last Ten Fiscal Years	127
J-14	Demographic and Economic Statistics	128
J-15	Principal Employers, Current Year & Nine Years Ago (information not available)	N/A
J-16	Full-time Equivalent District Employees by Function/Program, Last Ten Fiscal Years	129
J-17	Operating Statistics, Last Ten Fiscal Years	130
J-18	School Building Information, Last Ten Fiscal Years	131
J-19	Schedule of Required Maintenance, Last Ten Fiscal Years	132
J-20	Insurance Schedule	133

**SINGLE AUDIT SECTION**

K-2	Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 04-04 and/or 15-08	135
K-3	Schedule of Expenditures of Federal Awards, Schedule A	138
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	139
K-5	Notes to the Schedules of Awards and Financial Assistance	141
K-6	Schedule of Findings and Questioned Costs	143
K-7	Summary Schedule of Prior Audit Findings	147

**Introductory Section**



## HADDONFIELD BOARD OF EDUCATION

One Lincoln Avenue • Haddonfield, NJ 08033-1892

(856) 429-4130 • FAX: (856) 429-6015

[www.haddonfield.k12.nj.us](http://www.haddonfield.k12.nj.us)

---

*Richard P. Perry, Ed.D*  
*Superintendent*

*Michael Wilson*  
*Assistant Superintendent*

*John Oberg*  
*Business Administrator/  
Board Secretary*

November 27, 2015

Mr. Glen Moramarco and  
Members of the Board of Education  
1 Lincoln Avenue  
Haddonfield, NJ 08033

Dear Mr. Moramarco and Board of Education Members:

The Comprehensive Annual Financial Report (CAFR) of the Haddonfield School District for the fiscal year ended June 30, 2015, is hereby submitted. This CAFR includes the District's Basic Financial Statement 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 designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations," and NJOMB Circular Letter 04-04 and/or 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:** The Haddonfield 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 Haddonfield Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels K - 12. These services include but are not limited to, Regular Instructional Programs, Technology Education, Reading Recovery, Character Education and Special Education Programs for handicapped students. The District completed the 2014-2015 fiscal year with an average daily enrollment of 2,609 students, which is an increase of 36 students from the previous year's enrollment.

### Annual Financial Report

The following details the changes in student enrollment of the District over the last ten years.

#### Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2014-15	2609	1.4 %
2013-14	2573	1.0 %
2012-13	2547	1.8 %
2011-12	2503	1.5 %
2010-11	2465	5.7 %
2009-10	2451	1.7 %
2008-09	2410	1.1 %
2007-08	2385	(.9) %
2006-07	2406	.5 %
2005-06	2394	1.9 %

**2. ECONOMIC CONDITION AND OUTLOOK:** Haddonfield is a small historic community located ten miles east of Philadelphia in Camden County, New Jersey. Haddonfield is 2.6 square miles in area, and its population was 11,659 in the 2000 Census Report. The town is served by a PATCO high-speed line connection which links Haddonfield to center city Philadelphia, the City of Camden, and the New Jersey shore area. Haddonfield is a town that has a central shopping thoroughfare (Kings Highway) that is lined with picturesque shops, wonderful restaurants, and many professional offices.

Many business, social, and professional organizations serve the community. Haddonfield has numerous churches of all denominations, and a myriad of volunteer organizations that help to make Haddonfield a thriving community.

Haddonfield is fully developed and it remains primarily a residential community. Much of the value of the borough's real estate lies with individual home owners. The Haddonfield School District is one of the best public school districts in New Jersey and one of the best school

districts in the state and nation as acclaimed by numerous independent sources (Philadelphia Magazine, New Jersey Magazine, Newspaper Reports, U.S. News and World Report).

The quality of the schools has attracted families with school-aged children, which has resulted in an enrollment increase over the past few years. These increases in enrollment, combined with little financial support from the State of New Jersey or the Federal Government, has resulted in an average school tax increase of over 1.75% over the past five years. However, excellent budget management combined with important cash-saving efforts have significantly lowered the tax increase during the past two years to an average tax increase less than 2% per year.

Haddonfield School District is governed by a nine-member Board of Education elected at large to serve three year terms. Three members are elected each November during the General Election.

There are five schools in Haddonfield School District, whose students are served by a combined staff of 227 full time and 82 part-time positions. Our five schools are:

Three elementary schools serving grades pre-school through five. Central Elementary School, Elizabeth Haddon Elementary School and Tatem Elementary School.

One middle school serving grades six through eight: Haddonfield Middle School.

One comprehensive high school serving grades nine through twelve: Haddonfield High School

Fifty-two percent of the Haddonfield Memorial High School Class of 2015 took the SAT. The Class of 2015 had a mean score of 1,761 (599 Math, 578 Writing, and 584 Critical Reading). The class of 2015 had 95% of the graduating seniors continue their education in college or university – with 95% of the graduating seniors attending a four year college or university.

- New Jersey Monthly listed HMHS as the #2 high school in the State in 2015, ranking #1 in SAT scores, percent of students attending a 4-year college, and graduation rate.
- Nich.com ranked Haddonfield School District as #165 in the Nation.
- US News and World Report named HMHS #323 in the Nation and #129 in the Nation in regard to STEM (Science, Technology, Engineering, and Mathematics) Education.
- Philadelphia Magazine has cited Haddonfield as one of the finest schools in the Philadelphia Region on several occasions.
- U.S. Department of Education has designated Haddonfield Elizabeth Haddon School as a Blue Ribbon School in 2015.

Student enrollment is currently 2,689 students in total, with 2,689 students enrolled in Haddonfield School District with an additional 18 Special Education students sent on a tuition basis to private and public school special education programs. The total number of enrolled students includes 41 out of district students who pay tuition to Haddonfield School District to attend our excellent schools. The current demographic projections indicate a slight increase in future student enrollment.

**3. MAJOR INITIATIVES:** The major challenge currently facing Haddonfield School District is to maintain the excellent quality of its academic programs while having to finance

approximately 94% of the entire school budget through the primary revenue of local taxes- with only minimal support from the state of New Jersey and the Federal Government. Haddonfield Memorial High School was recently ranked as one of the top one percent schools in the nation and Haddonfield School District has been ranked as the best in the state, region, and nation. Also, the athletic program receives Best in the State honors each year, the only school district in New Jersey to be awarded the prestigious ShopRite Cup award since its inception. In addition, Haddonfield School District has an outstanding performing arts program in which students are recognized on state and national levels for their talents and performances.

This school year, the district is focusing on STEAM (Science, Technology, Engineering, Arts, and Mathematics) along with Critical Thinking curricular initiatives by way of enhancing Digital Learning opportunities. As a school district, there are continuing efforts to develop alternative sources of revenue, including a successful grades 6-12 tuition program and international program involving Chinese Students. Overall, the district raises over \$420,000 in tuition revenue.

Although there are fiscal restraints, the school district continues to form partnerships with colleges and universities in order to expand its curricular opportunities. A number of the district's high school students have taken advantage of the Drexel University-Haddonfield School District partnership program with much success. By way of this partnership, Haddonfield students have taken a variety of courses, obtaining both academic and field experiences. Drexel University and Haddonfield School District Engineering Program has been a successful program during the summer months in regard to students learning what is like to be an engineering student and engineer in the fields of electrical, civil, and environmental engineering. Also during the summer, students participate in other enrichment programs through the Haddonfield Summer Academy. In addition, the HMHS has formed a partnership with Rowan University's Engineering School in which engineering courses are taught at HMHS, providing university credits to HMHS students.

In regard to building level initiatives, there have been several improvements. The high school had several new courses added to its curricula and is incorporating 21<sup>st</sup> Century Learning. A new dynamic collaborative learning center was designed and constructed in the high school library. Teachers are implementing innovative instruction, such as with the Flipped Classroom in various courses. The middle school also had new technology upgrades and focus on Digital Learning and Technology Supporting Instruction in the Classroom utilizing Instructional Best Practices Critical Thinking. The elementary schools implemented positive culture programs involving health and safety along with a well-balanced, integrated, character-building curriculum based upon diversity and individual student needs. In addition, curricular initiatives were expanded involving advanced Critical Thinking initiatives and Digital Learning. I-Pads and other technologies were integrated into the classrooms along with professional development training for teachers. Language Arts and Mathematics programs were upgraded and implemented as per Common Core initiatives.

All schools were involved in the new teacher and principal evaluation programs along with Achieve New Jersey state mandated programs. Last school year, the school district was one of ten school districts in the state to be awarded a grant to implement this evaluation program as a pilot program for the District. The successful completion of this pilot program enabled the school district to become a leader with this evaluation system, gaining statewide

recognition for components of monitoring and enhancing achievement in the classrooms and identifying teaching Best Practices.

Haddonfield School District continues to have an exemplary professional staff development program featuring numerous educational experiences for our professional staff members along with the district's support staff as well. The state of New Jersey has recognized Haddonfield School District's program as one of the very best programs in the state, and colleagues from surrounding school districts are invited to take part in the district's professional development program. During this professional development time period, Haddonfield School District teachers and administrators, along with experts in the field, develop and present professional learning opportunities on a wide variety of topics.

Due to the intense professional development, the commitment of staff, and community support, Haddonfield students continue to earn scores on standardized tests (SAT; GEPA; NJASK; Advanced Placement Tests) that are among the highest in the state's and within the metropolitan Philadelphia area. The Haddonfield students' mean scores often equal or exceed the test scores of private schools with selective admission policies. In addition, a high percentage of graduating students of HMHS attend prestigious colleges and universities.

Haddonfield School District continues to excel in all areas of Academics, Extracurricular endeavors; and Arts programs. The community of Haddonfield has supported its students through community partnerships, parental involvement, volunteerism, and an overall commitment to the excellence of education. Residents are extremely proud of our focus on Academia and the quality of education that Haddonfield School District provides.

**4. INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, albeit minimal, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

**5. BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the Borough. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital

improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balances in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2015.

**6. CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

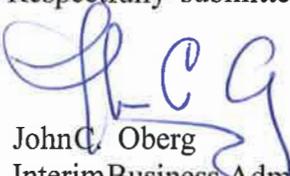
**7. RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

**8. OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accounts. The accounting firm of Inverso & Stewart, LLC, performs the annual statutory audit of the Haddonfield Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and NJOMB Circular Letter 04-04 and/or 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

**9. ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Haddonfield Board of Education in providing fiscal accountability to the citizens and taxpayers of the Borough of Haddonfield.

Respectfully submitted,



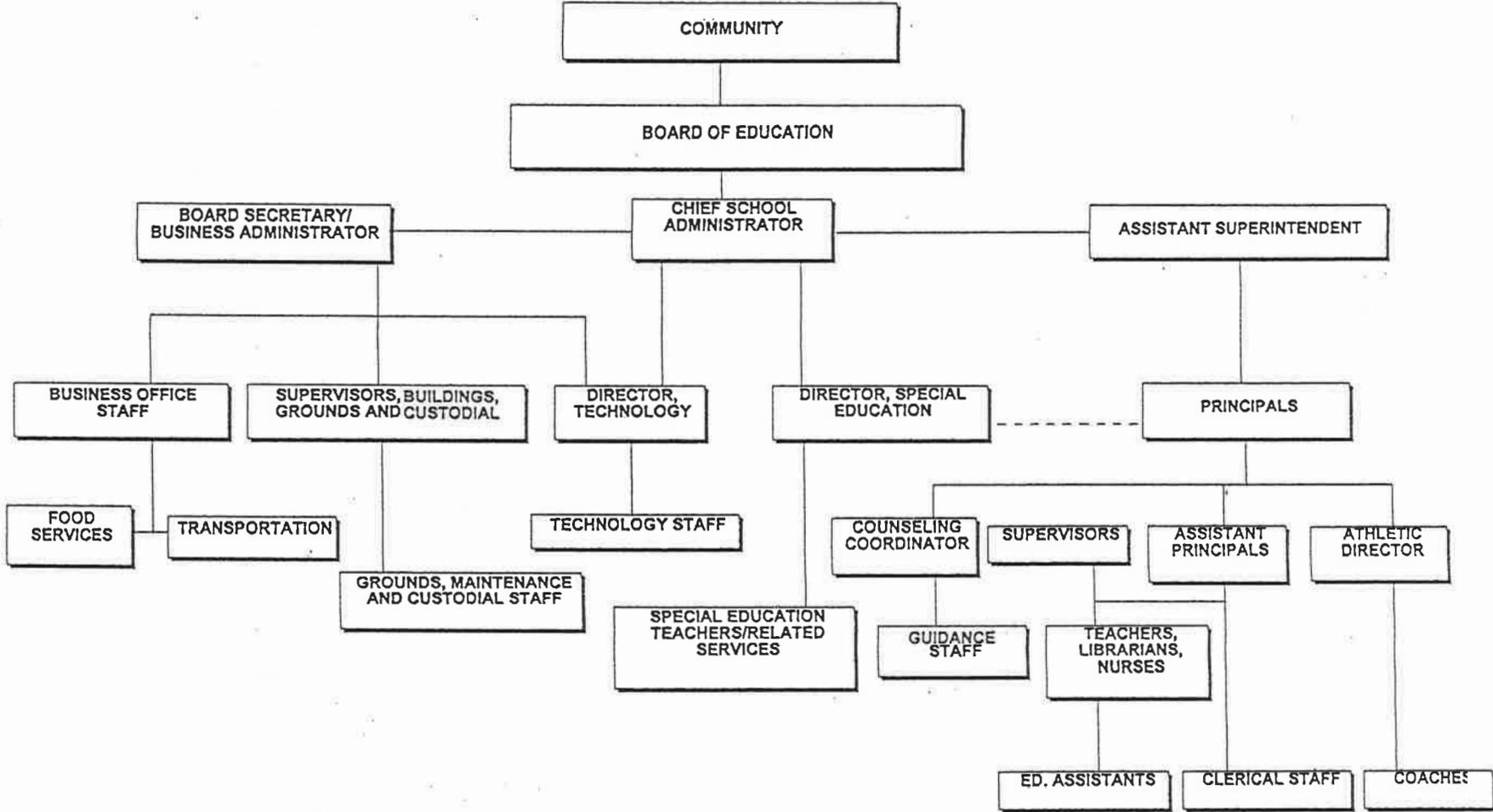
John C. Oberg  
Interim Business Administrator/Board Secretary



Richard P. Perry, Ed.D.  
Superintendent

# HADDONFIELD PUBLIC SCHOOLS

## Organizational Chart



**HADDONFIELD BOARD OF EDUCATION  
HADDONFIELD, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2015**

	<b><u>Term Expires</u></b>
Glenn Moramarco, President	2018
M. Drew Hansen Vice-President	2018
Carlton Chin	2017
Maureen Eyles	2015
Mary Fagan	2017
Dennis Kelleher	2015
Susan Kutner	2016
Heather Paoli	2018
David Siedell	2017

**Other Officials**

Richard P. Perry, Ed. D., Superintendent  
Michael Wilson, Assistant Superintendent  
John C. Oberg, Interim Business Administrator/Board Secretary  
Nancy McCabe, Treasurer of School Monies  
Joseph F. Betley, Solicitor

**HADDONFIELD SCHOOL DISTRICT  
Consultants and Advisors**

**Audit Firm**

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

**Attorney**

Capehart & Scatchard, P.A.  
8000 Midlantic Drive  
Suite 300  
Mount Laurel, NJ 08054

**Architect**

Becica Associates, LLC  
500 Kings Highway South  
Cherry Hill, NJ 08034

**Official Depository**

Republic Bank  
30 Kings Highway East  
Haddonfield, NJ 08033

**Financial Section**

***INVERSO & STEWART, LLC***  
Certified Public Accountants

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

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

**INDEPENDENT AUDITOR'S REPORT**

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

***Report on the Financial Statements***

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Haddonfield School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

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

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

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

### ***Opinions***

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Haddonfield School District, in the County of Camden, State of New Jersey, as of June 30, 2015, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

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

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Haddonfield School District's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey OMB's Circular 04-04 and/or 15-08, as applicable, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information described in the previous paragraph is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated November 27, 2015 on my consideration of the Haddonfield School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Haddonfield School District's internal control over financial reporting and compliance.

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant

Marlton, New Jersey  
November 27, 2015

***INVERSO & STEWART, LLC***  
**Certified Public Accountants**

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

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

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

**INDEPENDENT AUDITOR'S REPORT**

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Haddonfield School District, in the County of Haddonfield, State of New Jersey, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued my report thereon dated November 27, 2015.

***Internal Control Over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant

Marlton, New Jersey  
November 27, 2015

Required Supplementary Information - Part I

Management's Discussion and Analysis

**Haddonfield School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2015**

As management of the Board of Education of the Borough of Haddonfield, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$8,235,867 (*net position*).
- Governmental activities have an unrestricted net position deficit of \$7,612,744. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, and the last two state aid payments, and the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District increased by \$406,470, or a 5.19% increase from the prior fiscal year-end balance. The majority of this increase is attributable to the reduction of long term debt obligations.
- Fund balance of the School District's governmental funds increased by \$390,327 resulting in an ending fund balance of \$4,438,938. This increase is largely due to the results of operations in the general fund.
- Business-type activities have unrestricted net position of \$143,264, which may be used to meet the School District's ongoing obligations of the food service operations and community education program.
- The School District's long-term obligations decreased by \$965,598 which is the result of an increase in compensated absences and a decrease in serial bonds and capital leases.

**Overview of the Basic Financial Statements**

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

**District-wide Financial Statements**

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

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

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

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

### **Fund Financial Statements**

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

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

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

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

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

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

The School District's two enterprise funds (Food Service Fund and Community Education Program Fund) are listed individually and are considered to be major funds.

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

## **Notes to the Basic Financial Statements**

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

### **Other Information**

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

### **District-wide Financial Analysis**

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

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

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2015. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2015.

The assets of the primary government activities exceeded liabilities by \$8,043,591 with an unrestricted deficit balance of \$7,612,744. The net position of the primary government does not include internal balances.

A net investment of \$11,838,419 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 2,573 public school students, represents over 80.22% of the School District's net position. Net position of \$2,038,646 has been restricted to provide resources for future capital expansion and renovation projects, \$200,000 for maintenance projects, \$1,577,482 has been restricted for budget appropriation and \$1,788 is restricted for debt service.

As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, net pension liability and the last two state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

**Haddonfield School District  
Comparative Summary of Net Position  
As of June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		District-Wide	
	2015	2014	2015	2014	2015	2014
<b>Assets:</b>						
Current assets	\$ 5,175,005	\$ 4,828,395	\$ 162,322	\$ 153,600	\$ 5,337,327	\$ 4,981,995
Capital assets	<u>27,134,469</u>	<u>28,264,612</u>	<u>49,012</u>	<u>66,787</u>	<u>27,183,481</u>	<u>28,331,399</u>
<b>Total assets</b>	<u>32,309,474</u>	<u>33,093,007</u>	<u>211,334</u>	<u>220,387</u>	<u>32,520,808</u>	<u>33,313,394</u>
Deferred Outflows of Resources	<u>475,263</u>				<u>475,263</u>	
<b>Liabilities:</b>						
Current Liabilities	2,306,681	2,344,882	19,058	17,138	2,325,739	2,362,020
Noncurrent Liabilities	<u>21,542,790</u>	<u>16,360,405</u>			<u>21,542,790</u>	<u>16,360,405</u>
<b>Total liabilities</b>	<u>23,849,471</u>	<u>18,705,287</u>	<u>19,058</u>	<u>17,138</u>	<u>23,868,529</u>	<u>18,722,425</u>
Deferred Inflows of Resources	<u>891,675</u>				<u>891,675</u>	
<b>Net position</b>	<u>\$ 8,043,591</u>	<u>\$ 14,387,720</u>	<u>\$ 192,276</u>	<u>\$ 203,249</u>	<u>\$ 8,235,867</u>	<u>\$ 14,590,969</u>
Net position consists of:						
Net investment in						
Capital assets	11,838,419	11,914,814	49,012	66,787	11,887,431	\$ 11,981,601
Restricted net position	3,817,916	3,452,495			3,817,916	3,452,495
Unrestricted net position	<u>(7,612,744)</u>	<u>(979,589)</u>	<u>143,264</u>	<u>136,462</u>	<u>(7,469,480)</u>	<u>(843,127)</u>
<b>Net position</b>	<u>\$ 8,043,591</u>	<u>\$ 14,387,720</u>	<u>\$ 192,276</u>	<u>\$ 203,249</u>	<u>\$ 8,235,867</u>	<u>\$ 14,590,969</u>

**Haddonfield School District**  
**Comparative Schedule of Changes in Net Position**  
**As of and for the Fiscal Year Ended June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		District-Wide	
	2015	2014	2015	2014	2015	2014
<b>Revenues:</b>						
<b>Program Revenues</b>						
Charges for services	\$ -	\$ -	\$ 564,560	\$ 565,843	\$ 564,560	\$ 565,843
Operating grants and Contributions	4,246,118	3,763,353	35,708	71,159	4,281,814	3,834,512
<b>General Revenues:</b>						
Property Taxes	33,871,732	33,253,751			33,871,732	33,253,751
Unrestricted State Aid	1,132,245	1,081,752			1,132,245	1,081,752
Tuition	505,276	526,947			505,276	526,947
Other Revenues	281,584	361,473	1,911	649	283,495	362,122
<b>Total Revenues</b>	<b>40,036,955</b>	<b>38,987,276</b>	<b>602,179</b>	<b>637,651</b>	<b>40,639,122</b>	<b>39,624,927</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	17,408,580	18,270,421			17,408,568	18,270,421
Tuition	1,363,042	1,147,065			1,363,042	1,147,065
Related Services	4,130,270	3,425,536			4,130,270	3,425,536
Administrative Services	2,233,735	2,135,615			2,233,735	2,135,615
Central Services	674,914	451,893			674,914	451,893
Operations and Maintenance	3,996,237	4,069,678			3,996,237	4,069,678
Transportation	544,335	468,815			544,335	468,815
Special Schools	141,616	112,057			141,616	112,057
Employee benefits	8,337,424	7,541,020			8,337,424	7,541,020
Interest on long-term Debt	732,852	701,745			732,852	701,745
Other	56,507	62,112			56,507	62,112
<b>Business-Type Activities:</b>						
Food Service Operations			522,126	519,642	522,126	519,642
Community Education			91,026	109,036	91,026	109,036
<b>Total Expenses</b>	<b>39,619,512</b>	<b>38,385,957</b>	<b>613,152</b>	<b>628,678</b>	<b>40,232,652</b>	<b>39,014,635</b>
<b>Increase in net position</b>						
Before transfers	417,443	601,319	(10,973)	8,973	406,470	610,292
Cancelled						
<b>Changes in net position</b>	<b>417,443</b>	<b>601,319</b>	<b>(10,973)</b>	<b>8,973</b>	<b>406,470</b>	<b>610,292</b>
Net position, July 1, restated	7,626,148	13,786,401	203,249	194,276	7,829,397	13,980,677
<b>Net position, June 30,</b>	<b>\$ 8,043,591</b>	<b>\$ 14,387,720</b>	<b>\$ 192,276</b>	<b>\$ 203,249</b>	<b>\$ 8,235,867</b>	<b>\$ 14,590,969</b>

## **Governmental Activities**

Governmental activities increased the net position of the School District by \$417,443 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- Reduction of debt increased the net position of the School District by \$965,598 during the current fiscal year.
- Depreciation expense reduced net position by 1,130,143.
- Results of operations in the General Fund increased the net position by \$392,526.

## **Business-type Activities**

Business-type activities decreased the School District's net position by \$10,973. Key elements of the decrease in net position for governmental activities are as follows:

- The Food Service Fund had a net loss of \$26,429 and the Community Education Program had a net gain of \$15,456.

## **Financial Analysis of the Governmental Funds**

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

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

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$4,438,938, an increase of \$390,327 in comparison with the prior year. This increase is primarily attributable to the results of operations in the general fund and capital projects fund.

The unassigned fund balance for the School District at the end of the fiscal year includes a combination of unassigned fund balance for the General Fund of \$621,022 and \$654 in the Debt Service Fund. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures of \$2,038,646, 2) as restricted for future maintenance projects of \$200,000, 3) \$1,063,220 appropriated as a revenue source for subsequent year's budgets, and 4) \$515,396 reserved for excess surplus.

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

## **General Fund Budgetary Highlights**

There was no difference between the original budget and the final amended budget.

At the end of the current fiscal year, unreserved fund balance (budgetary basis) of the general fund was \$670,972 while total fund balance (budgetary basis) was \$4,166,935. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$36,865,872. Unreserved fund balance (budgetary basis) represents 1.82% of expenditures while total fund balance (budgetary basis) represents 11.30% of that same amount.

### Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2015, totaled \$27,183,481 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, and equipment. The net decrease in the District's investment in capital assets for the current fiscal year was \$1,147,918 or a 4.05% decrease. The decrease is due to depreciation expense.

#### Capital Asset (net of accumulated depreciation) June 30, 2015 and 2014

	Governmental Activities		Business-Type Activities		District-Wide	
	2015	2014	2015	2014	2015	2014
Land	\$ 1,898,592	\$ 1,898,592	\$ -	\$ -	\$ 1,898,592	\$ 1,898,592
Construction in Progress						
Buildings and Building Improvements	24,641,395	25,530,761			24,641,395	25,530,761
Equipment	594,482	835,259	49,012	66,787	643,494	902,046
<b>Total</b>	<b>\$ 27,134,469</b>	<b>\$ 28,264,612</b>	<b>\$ 49,012</b>	<b>\$ 66,787</b>	<b>\$ 27,183,481</b>	<b>\$ 28,331,399</b>

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

*Long-term debt* – During the fiscal year ended June 30, 2015, the School District had \$15,291,480 in serial bonds payable, \$4,570 in capital leases, and \$1,388,985 in compensated absences.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$86,239,545. The available amount as of June 30, 2015 is \$71,329,545.

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

#### Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2015-16 fiscal year.

- For the 2015-16 fiscal year the School District will not be receiving an increase in state aid. The local tax levy in the General Fund increased by \$640,453 or 2.00%. Salaries continue to increase contractually; however, the District has managed to control costs. The 2015-16 General Fund Budget is \$1,879,257 greater than the previous year or a 5.41% increase.
- The tax rate increased from \$1.519 in 2014 to \$1.549 in 2015.

### **For the Future**

The Haddonfield School District is in very good financial condition presently. However, a major concern is maintaining aging buildings of the district with an increased reliance on local property taxes as state aid has remained stagnant. The Borough of Haddonfield is primarily a residential community, with very few large ratables; thus the burden is focused on homeowners to share the tax burden.

In conclusion, the Haddonfield School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

### **Requests for Information**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Haddonfield School District Business Administrator, One Lincoln Avenue, Haddonfield, New Jersey, 08033.

Basic Financial Statements

District-Wide Financial Statements

**HADDONFIELD SCHOOL DISTRICT**  
**Statement of Position**  
**June 30, 2015**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 2,340,390	\$ 114,767	\$ 2,455,157
Receivables, net	1,128,778	7,770	1,136,548
Internal balances	(12,644)	12,644	
Inventory		27,141	27,141
Restricted assets:			
Capital reserve account - cash	1,718,481		1,718,481
Capital assets, net (Note 5)	<u>27,134,469</u>	<u>49,012</u>	<u>27,183,481</u>
Total assets	<u>32,309,474</u>	<u>211,334</u>	<u>32,520,808</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	<u>475,263</u>		<u>475,263</u>
<b>LIABILITIES:</b>			
Accounts payable	396,094		396,094
Payable to state government	90,961		90,961
Unearned revenue	57,512	19,058	76,570
Other liabilities	191,500		191,500
Accrued interest	131,547		131,547
Noncurrent liabilities:			
Due within one year	1,439,067		1,439,067
Due beyond one year	15,245,968		15,245,968
Net pension liability	<u>6,296,822</u>		<u>6,296,822</u>
Total liabilities	<u>23,849,471</u>	<u>19,058</u>	<u>23,868,529</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows of resources from pensions	<u>891,675</u>		<u>891,675</u>
<b>NET POSITION:</b>			
Net investment in capital assets	11,838,419	49,012	11,887,431
Restricted for:			
Debt Service Fund	1,788		1,788
Capital Projects	2,038,646		2,038,646
Other Purposes	1,777,482		1,777,482
Unrestricted	<u>(7,612,744)</u>	<u>143,264</u>	<u>(7,469,480)</u>
Total net position	<u>\$ 8,043,591</u>	<u>\$ 192,276</u>	<u>\$ 8,235,867</u>

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

**HADDONFIELD SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2015**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
Instruction:						
Regular	\$ 12,867,646	\$	\$ 303,413	\$ (12,564,233)	\$	\$ (12,564,233)
Special education	3,399,199		418,530	(2,980,669)		(2,980,669)
Other instruction	1,141,735			(1,141,735)		(1,141,735)
Support Services:						
Tuition	1,363,042			(1,363,042)		(1,363,042)
Student & instruction related services	4,130,270		128,890	(4,001,380)		(4,001,380)
General administrative services	815,332			(815,332)		(815,332)
School administrative services	1,418,403			(1,418,403)		(1,418,403)
Central services	674,914			(674,914)		(674,914)
Plant operations and maintenance	3,996,237			(3,996,237)		(3,996,237)
Pupil transportation	544,335			(544,335)		(544,335)
Special schools	141,616			(141,616)		(141,616)
Unallocated employee benefits	8,337,424		3,317,255	(5,020,169)		(5,020,169)
Interest on long-term debt	732,852		78,030	(654,822)		(654,822)
Unallocated depreciation and amortization	56,507			(56,507)		(56,507)
Total governmental activities	<u>39,619,512</u>		<u>4,246,118</u>	<u>(35,373,394)</u>		<u>(35,373,394)</u>
Business-type activities:						
Community education	91,026	106,360			15,334	15,334
Food service	522,126	458,200	35,708		(28,218)	(28,218)
Total business-type activities	<u>613,152</u>	<u>564,560</u>	<u>35,708</u>		<u>(12,884)</u>	<u>(12,884)</u>
Total primary government	<u>\$ 40,232,664</u>	<u>\$ 564,560</u>	<u>\$ 4,281,826</u>	<u>\$ (35,373,394)</u>	<u>\$ (12,884)</u>	<u>\$ (35,386,278)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes, net				32,022,692		32,022,692
Taxes levied for debt service				1,849,040		1,849,040
Federal and State aid not restricted				1,132,245		1,132,245
Tuition revenue				505,276		505,276
Investment earnings				3,612	1,542	5,154
Miscellaneous income				277,972	369	278,341
Total general revenues, special items, extraordinary items and transfers				<u>35,790,837</u>	<u>1,911</u>	<u>35,792,748</u>
Change in Net Position				417,443	(10,973)	406,470
Net Position--July 1, as restated (Note 20)				<u>7,626,148</u>	<u>203,249</u>	<u>7,829,397</u>
Net Position--June 30				<u>\$ 8,043,591</u>	<u>\$ 192,276</u>	<u>\$ 8,235,867</u>

29

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

Fund Financial Statements

**HADDONFIELD SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2015**

<b>ASSETS</b>	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 2,270,117	\$ -	\$ 68,485	\$ 1,788	\$ 2,340,390
Receivables, net	298,347	535,566	251,680		1,085,593
Interfund receivables, net	415,988				415,988
Restricted cash and cash equivalents	<u>1,718,481</u>				<u>1,718,481</u>
<b>Total assets</b>	<u>\$ 4,702,933</u>	<u>\$ 535,566</u>	<u>\$ 320,165</u>	<u>\$ 1,788</u>	<u>\$ 5,560,452</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	324,292	71,802			396,094
Interfund payable	204,144	372,803			576,947
Intergovernmental payable:					
State		90,961			90,961
Unearned revenues	<u>57,512</u>				<u>57,512</u>
<b>Total liabilities</b>	<u>585,948</u>	<u>535,566</u>	<u>-</u>	<u>-</u>	<u>1,121,514</u>
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Excess surplus	515,396				515,396
Capital reserve account	1,718,481				1,718,481
Maintenance reserve account	200,000				200,000
Excess surplus designated for subsequent year's expenditures	639,455				639,455
<b>Assigned to:</b>					
Reserve for Encumbrances	422,631				422,631
Unreserved - designated for subsequent year's expenditures				1,134	1,134
Unassigned	<u>621,022</u>		<u>320,165</u>	<u>654</u>	<u>941,841</u>
<b>Total fund balances</b>	<u>4,116,985</u>		<u>320,165</u>	<u>1,788</u>	<u>4,438,938</u>
<b>Total liabilities and fund balances</b>	<u>\$ 4,702,933</u>	<u>\$ 535,566</u>	<u>\$ 320,165</u>	<u>\$ 1,788</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$47,031,737 and the accumulated depreciation is \$19,897,268. 27,134,469

Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds. (131,547)

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

Deferred Outflows of resources from Pensions	475,263	
Net Pension Liability	(6,296,822)	
Deferred Inflows of resources from Pensions	<u>(891,675)</u>	(6,713,234)

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.

General Obligation Bonds	(15,291,480)	
Capital Lease Payable	(4,570)	
Compensated Absences Payable	<u>(1,388,985)</u>	(16,685,035)

Net position of governmental activities 8,043,591

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

**HADDONFIELD 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
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 32,022,692	\$ -	\$ -	\$ 1,849,040	\$ 33,871,732
Tuition charges	505,276				505,276
Capital reserve interest	3,612				3,612
Miscellaneous	277,318		654		277,972
Total revenues-local sources	32,808,898	-	654	1,849,040	34,658,592
State sources	4,449,500	303,413		78,030	4,830,943
Federal sources		547,420			547,420
Total revenues	37,258,398	850,833	654	1,927,070	40,036,955
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	11,684,983	303,413			11,988,396
Special education instruction	2,980,669	418,530			3,399,199
Other instruction	1,141,735				1,141,735
Support services and undistributed costs:					
Tuition	1,363,042				1,363,042
Student & instruction related services	4,001,380	128,890			4,130,270
General administrative services	702,318				702,318
School administrative services	1,418,403				1,418,403
Central services	674,914				674,914
Plant operations and maintenance	3,190,543				3,190,543
Pupil transportation	544,335				544,335
Unallocated employee benefits	8,385,762				8,385,762
Special schools	141,616				141,616
Capital outlay	636,172				636,172
Debt service:					
Principal				1,286,000	1,286,000
Interest and other charges				643,923	643,923
Total expenditures	36,865,872	850,833		1,929,923	39,646,628
Excess (deficiency) of revenues over (under) expenditures	392,526	-		(2,853)	390,327
Other Financing Sources (Uses):					
Operating transfer out			(654)		(654)
Operating transfer in				654	654
Total other financing sources (uses)	-	-	(654)	654	-
Net change in fund balance	392,526	-		(2,199)	390,327
Fund balances, July 1	3,724,459		320,165	3,987	4,048,611
Fund balances, June 30	\$ 4,116,985	\$ -	\$ 320,165	\$ 1,788	\$ 4,438,938

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

**HADDONFIELD SCHOOL DISTRICT  
 Reconciliation of the Statement of Revenues, Expenditures  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 for the Fiscal Year Ended June 30, 2015**

Total net change in fund balances - governmental funds (from B-2)	\$	390,327
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p style="margin-left: 40px;">Capital outlays are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation expense	\$ (1,130,143)	
Capital outlay	(1,130,143)	(1,130,143)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		1,049,520
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		4,228
Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.		48,338
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		143,323
Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Compensated absences		(88,150)
Change in net position of governmental activities	\$	417,443

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

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

	<b>Business-type Activities</b>		<b>Total</b>
	<b>Enterprise Funds</b>		
	<u>Food Service Program</u>	<u>Community Education</u>	
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 36,976	\$ 77,791	\$ 114,767
Accounts receivable	7,770		7,770
Interfund receivable	12,644		12,644
Inventories	27,141		27,141
Total current assets	<u>84,531</u>	<u>77,791</u>	<u>162,322</u>
Noncurrent assets:			
Equipment	382,016		382,016
Less accumulated depreciation	<u>(333,004)</u>		<u>(333,004)</u>
Total noncurrent assets	<u>49,012</u>	<u>-</u>	<u>49,012</u>
Total assets	<u>\$ 133,543</u>	<u>\$ 77,791</u>	<u>\$ 211,334</u>
<b>LIABILITIES</b>			
Current liabilities:			
Unearned Revenue	\$ 19,058	\$ -	\$ 19,058
Total liabilities	<u>19,058</u>	<u>-</u>	<u>19,058</u>
<b>NET POSITION</b>			
Net investment in capital assets related debt	49,012		49,012
Unrestricted	65,473	77,791	143,264
Total net position	<u>\$ 114,485</u>	<u>\$ 77,791</u>	<u>\$ 192,276</u>

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

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

	<b>Business-type Activities</b>		<b>Total</b>
	<b>Food Service Program</b>	<b>Community Education</b>	
<b>Operating revenues:</b>			
Charges for services:			
Daily sales-reimbursable programs	\$ 159,778	\$ -	\$ 159,778
Daily sales-non-reimbursable programs	298,422		298,422
Program fees		106,360	106,360
Total operating revenue	<u>458,200</u>	<u>106,360</u>	<u>564,560</u>
<b>Operating expenses:</b>			
Salaries	232,914	78,786	311,700
Supplies and materials	15,199		15,199
Depreciation	17,775		17,775
Management Fee	30,948		30,948
Direct expenses	12,746	12,240	24,986
Cost of sales	206,033		206,033
Other costs	6,511		6,511
Total operating expenses	<u>522,126</u>	<u>91,026</u>	<u>613,152</u>
Operating income (loss)	<u>(63,926)</u>	<u>15,334</u>	<u>(48,592)</u>
<b>Nonoperating revenues (expenses):</b>			
State sources:			
State school lunch program	1,571		1,571
Federal sources:			
National school lunch program	16,328		16,328
U.S.D.A. commodities	17,809		17,809
Local sources:			
Miscellaneous	1,542		1,542
Interest revenue	247	122	369
Total nonoperating revenues (expenses)	<u>37,497</u>	<u>122</u>	<u>37,619</u>
Net income (loss) before contributions and transfers	<u>(26,429)</u>	<u>15,456</u>	<u>(10,973)</u>
Change in net position	<u>(26,429)</u>	<u>15,456</u>	<u>(10,973)</u>
Total net position- July 1 (restated)	<u>140,914</u>	<u>62,335</u>	<u>203,249</u>
Total net position- June 30	<u>\$ 114,485</u>	<u>\$ 77,791</u>	<u>\$ 192,276</u>

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

**HADDONFIELD SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**for the Fiscal Year Ended June 30, 2015**

	<b>Business-type Activities Enterprise Funds</b>		<b>Total</b>
	<u>Food Service Program</u>	<u>Community Education</u>	
<b>Cash flows from operating activities:</b>			
Receipts from customers	\$ 460,507	\$ 106,360	\$ 566,867
Payments to employees	(232,914)	(78,786)	(311,700)
Payments to suppliers	(260,605)	(12,240)	(272,845)
Net cash used for operating activities	<u>(33,012)</u>	<u>15,334</u>	<u>(17,678)</u>
<b>Cash flows from noncapital financing activities:</b>			
State sources	1,411		1,411
Federal sources	14,853		14,853
Net cash provided by non-capital financing activities	<u>16,264</u>		<u>16,264</u>
<b>Cash flows from capital activities:</b>			
Purchases of fixed assets			
<b>Cash flows from investing activities:</b>			
Interest and dividends	247	122	369
Net cash provided by investing activities	<u>247</u>	<u>122</u>	<u>369</u>
Net increase in cash and cash equivalents	(16,501)	15,456	(1,045)
Balances - beginning of year	53,477	62,335	115,812
Balances - end of year	<u>\$ 36,976</u>	<u>\$ 77,791</u>	<u>\$ 114,767</u>
<b>Reconciliation of operating loss to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ (63,926)	\$ 15,334	\$ (48,592)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	17,775		17,775
Federal commodities	17,809		17,809
Cancellation of accounts payable/receivable	1,543		1,543
(Increase) decrease in inventories	(6,977)		(6,977)
(Increase) decrease in accounts receivable	(1,156)		(1,156)
Increase (decrease) in unearned revenue	1,920		1,920
Total adjustments	<u>30,914</u>		<u>30,914</u>
Net cash provided by (used for) operating activities	<u>\$ (33,012)</u>	<u>\$ 15,334</u>	<u>\$ (17,678)</u>

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

**HADDONFIELD SCHOOL DISTRICT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2015**

	<u>Flexible Benefits Account</u>	<u>Unemployment Compensation Insurance Trust</u>	<u>Agency Fund</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 47,176	\$ 363,337	\$ 437,316
Interfund receivable		191,500	
Other accounts receivable	<u>73,736</u>		
<b>Total assets</b>	<u>\$ 120,912</u>	<u>\$ 554,837</u>	<u>\$ 437,316</u>
<b>LIABILITIES:</b>			
Accounts payable	\$ 44,761	\$ 10,035	\$ -
Payroll deductions and withholdings			58,064
Interfund payable			43,185
Due to student groups			<u>336,067</u>
<b>Total liabilities</b>	<u>\$ 44,761</u>	<u>\$ 10,035</u>	<u>\$ 437,316</u>
<b>NET POSITION:</b>			
Held in trust for flexible benefits	<u>\$ 76,151</u>		
Held in trust for unemployment claims and other purposes		<u>\$ 544,802</u>	

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

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

	<u>Flexible Benefits Account</u>	<u>Unemployment Compensation Insurance Trust</u>
<b>ADDITIONS:</b>		
Contributions:		
Board contributions	\$ 162,488	\$ -
Employee contributions	<u>51,904</u>	<u>21,277</u>
Total Contributions	<u>214,392</u>	<u>21,277</u>
Investment earnings:		
Interest	<u>144</u>	<u>884</u>
Net investment earnings	<u>144</u>	<u>884</u>
Total additions	<u>214,536</u>	<u>22,161</u>
<b>DEDUCTIONS:</b>		
Unemployment claims		18,752
Flex benefit payments	<u>284,311</u>	
Total deductions	<u>284,311</u>	<u>18,752</u>
Change in net position	(69,775)	3,409
Net position - July 1	<u>145,926</u>	<u>541,393</u>
Net position - June 30	<u>\$ 76,151</u>	<u>\$ 544,802</u>

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The Haddonfield School District (District) is a Type II school district located in Camden County, New Jersey and covers an area of approximately 2.6 square miles. As a Type II school district, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the District is to provide educational services for all of Haddonfield's students in grades K through 12. The Haddonfield School District has an approximate enrollment at June 30, 2015 of 2,609 students.

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

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

**Basis of Presentation**

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

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

**Government-wide Statements** - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

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

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

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

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

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Proprietary Funds (Continued)**

The School District's enterprise funds are:

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

**Community Education Fund** - This fund accounts for the financial activity related to providing adult school activities within the School District.

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

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

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

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

**Measurement Focus**

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

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

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Accounting**

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

**Revenues - Exchange and Non-exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

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

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

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

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

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

**Encumbrances** - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

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

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

N.J.S.A. 17:9-41et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

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

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

**Prepaid Expenses** - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

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

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

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

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

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Capital Assets (Continued)** - Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

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

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

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

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

**Accrued Liabilities and Long-Term Obligations** - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

**Bond Discount and Bond Premium** - Bond discount and bond premium arising from the issuance of the general obligation bonds are recorded as liabilities. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. Bond discount and bond premium are presented as an adjustment of the face amount of the bonds.

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

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

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are 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" criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2015.

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

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

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

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

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

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

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Recently Issued Accounting Pronouncements (Continued)** - In June 2015, the GASB issued Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature. As a result, governments will apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement is effective for financial statements for periods beginning after June 15, 2015 and will not have any effect on the District's financial reporting.

**2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$5,952,071 as of June 30, 2015, \$279,923 was insured under FDIC and the remaining balance of \$5,672,148 was collateralized under GUDPA.

**3. CAPITAL RESERVE ACCOUNT**

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer at year end of any anticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:26-9.1(d), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

**3. CAPITAL RESERVE ACCOUNT (Continued)**

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

Balance – July 1, 2014	\$	1,444,869
Increased by:		
Transfer by Board Resolution	\$	270,000
Unspent appropriations		
Cancelled accounts payable		
Interest Earned	<u>3,612</u>	<u>273,612</u>
		1,718,481
Decreased by:		
Budgeted Withdrawal		<u>                    </u>
Balance – June 30, 2015	\$	<u>1,718,481</u>

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

**4. ACCOUNTS RECEIVABLES**

Accounts receivables at June 30, 2015 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

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

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Special Revenue Funds</u>	<u>Proprietary Fund</u>	<u>Total</u>
State Aid	\$ 253,536	\$ 251,680	\$ 2,867	\$ 316	\$ 508,399
Federal Aid			532,699	3,317	536,016
Other	<u>44,811</u>			<u>4,137</u>	<u>48,948</u>
Total Accounts Receivable	<u>\$ 298,347</u>	<u>\$ 251,680</u>	<u>\$ 535,566</u>	<u>\$ 7,770</u>	<u>\$ 1,093,363</u>

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

**5. CAPITAL ASSETS**

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2015</u>
<b>Governmental Activities:</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,898,592	\$ -	\$ -	\$ 1,898,592
Construction in progress	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total capital assets, not being	1,898,592	<u>                    </u>	<u>                    </u>	1,898,592
Depreciated	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Capital Assets, being depreciated:</i>				
Site Improvements	1,471,115	<u>                    </u>	<u>                    </u>	1,471,115
Building and Building Improvements	39,198,051	<u>                    </u>	<u>                    </u>	39,198,051
Equipment	4,463,979	<u>                    </u>	<u>                    </u>	4,463,979
Totals at historical cost	<u>45,133,145</u>	<u>                    </u>	<u>                    </u>	<u>45,133,145</u>
<i>Less Accumulated Depreciation:</i>				
Site Improvements	(542,784)	(58,559)	<u>                    </u>	(601,343)
Building and Building Improvements	(14,595,621)	(830,807)	<u>                    </u>	(15,426,428)
Equipment	(3,628,720)	(240,777)	<u>                    </u>	(3,869,497)
Totals accumulated depreciation	<u>(18,767,125)</u>	<u>(1,130,143)</u>	<u>                    </u>	<u>(19,897,268)</u>
Total Capital Assets, being depreciated, net	<u>26,366,020</u>	<u>(1,130,143)</u>	<u>                    </u>	<u>25,235,877</u>
Governmental Activities Capital Assets, Net	<u>\$ 28,264,612</u>	<u>\$ (1,130,143)</u>	<u>\$ -</u>	<u>\$ 27,134,469</u>
 <b>Business-Type Activities:</b>				
<i>Capital Assets, being depreciated:</i>				
Equipment	\$ 382,016	\$ -	\$ -	\$ 382,016
Less accumulated depreciation	(315,229)	(17,775)	<u>                    </u>	(333,004)
Business-Type Activities Capital Assets, Net	<u>\$ 66,787</u>	<u>\$ (17,775)</u>	<u>\$ -</u>	<u>\$ 49,012</u>

Depreciation expense in the amount of \$1,130,143 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 791,100
Plant Operations and Maintenance	169,522
Administration	113,014
Unallocated	<u>56,507</u>
Total depreciation expense	<u>\$ 1,130,143</u>

**6. INVENTORY**

Inventory in the Food Service Fund at June 30, 2015 consisted of the following:

Food	\$ 21,896
Supplies	<u>5,245</u>
	<u>\$ 27,141</u>

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

**7. LONG-TERM OBLIGATIONS**

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

<u>Governmental Activities:</u>	<u>Principal Outstanding July 1, 2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2015</u>	<u>Amounts Due Within One Year</u>
Other Liabilities:					
Compensated Absences	\$ 1,300,835	\$ 88,150	\$ -	\$ 1,388,985	\$ -
Capital Leases	8,798		4,228	4,570	4,570
Total	<u>1,309,633</u>	<u>88,150</u>	<u>4,228</u>	<u>1,393,555</u>	<u>4,570</u>
General Obligation Bonds					
Principal	16,341,000	6,115,000	7,546,000	14,910,000	1,380,000
Unamortized Premiums		381,480		381,480	54,497
Total	<u>16,341,000</u>	<u>6,496,480</u>	<u>7,546,000</u>	<u>15,291,480</u>	<u>1,434,497</u>
Total Governmental Activity	<u>\$ 17,650,633</u>	<u>\$ 6,584,630</u>	<u>\$ 7,550,228</u>	<u>\$ 16,685,035</u>	<u>\$ 1,439,067</u>

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

2005 Refunding Bonds dated August 1, 2005 in the amount of \$885,000 due in annual installments through August 1, 2015 bearing interest rate of 4.25%.

2012 Refunding Bonds dated February 1, 2012 in the amount of \$7,910,000 due in annual installments through August 15, 2025 bearing interest rates ranging from 3.00% - 4.00%.

2015 Refunding Bonds dated May 29, 2015 in the amount of \$6,115,000 due in annual installments through August 1, 2021 bearing interest rates ranging from 0.40% - 4.00%.

Principal and interest due on bonds outstanding is as follow

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,380,000	\$ 455,038	\$ 1,835,038
2017	1,290,000	478,038	1,768,038
2018	1,325,000	443,462	1,768,462
2019	1,365,000	399,463	1,764,463
2020	1,420,000	352,906	1,772,906
2021-2025	<u>8,130,000</u>	<u>962,287</u>	<u>9,092,287</u>
	<u>\$ 14,910,000</u>	<u>\$ 3,091,194</u>	<u>\$ 18,001,194</u>

**Refunding -**

On May 29, 2015 the School District issued \$6,115,000 in general obligation refunding bonds with a variable interest rate of .40% to 4.00% to advance refund \$6,260,000 of outstanding callable 2005 refunding bonds. The net proceeds of \$14,403,644 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2005 refunding bonds.

The School District advanced refunded the 2005 refunding bonds to reduce its total debt service payments over the next six years by \$425,549 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$399,891.

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

**7. LONG-TERM OBLIGATIONS (Continued)**

As of June 30, 2015 the District had no authorized but not issued bonds.

**Capital Leases Payable**

As of June 30, 2015, the District had the following capital leases:

<u>Equipment</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
One Van	May 1, 2016	8.30%	\$ 21,631

**Capital Leases Payable**

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 4,570	\$ 388	\$ 4,958
	<u>\$ 4,570</u>	<u>\$ 388</u>	<u>\$ 4,958</u>

**Compensated Absences**

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

**8. OPERATING LEASES**

At June 30, 2015, the District had operating lease agreements in effect for the following:

Copiers

Total operating lease payments made during the year ended June 30, 2014 and 2015 was \$103,812 and \$103,812 respectively. Future minimum lease payments are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2016	\$ 108,312
June 30, 2017	108,312
June 30, 2018	108,312
June 30, 2019	<u>39,104</u>
Total future minimum lease payments	<u>\$ 364,040</u>

**9. PENSION PLANS**

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

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

**9. PENSION PLANS (Continued)**

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

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

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

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years.

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

For the year ended June 30, 2015, the District recognized pension expense of \$4,424,139 and revenue of \$4,424,139 for support provided by the State. Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/14</u>	<u>06/30/13</u>
Collective deferred outflows of resources	\$ 2,306,623,861	\$ -
Collective deferred inflows of resources	1,763,205,593	-
Collective net pension liability (Non-Employer – State of New Jersey)	53,446,745,367	50,539,213,484
State's portion of the net pension liability that was associated with the district	82,218,714	80,239,858
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	.1538329676%	.1587675235%

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

Inflation: 2.5%

Salary Increases: Varies based on experience

Investment Rate of Return: 7.90%

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

**9. PENSION PLANS (Continued)**

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

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

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2014 are summarized in the following table:

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

*Discount rate.* The discount rate used to measure the State's total pension liability was 4.68% and 4.95% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) will be made based on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

**9. PENSION PLANS (Continued)**

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

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

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

**Public Employees' Retirement System (PERS)**

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase is being phased-in over seven years beginning on July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non-Contrib Group Life Insurance</u>	<u>Total Liability</u>	<u>Paid by District</u>
2015	\$ 46,157	\$ 213,513	\$ 17,587	\$ 277,257	\$ 277,257
2014	50,563	222,308	4,641	277,512	277,512
2013	85,586	204,639	17,273	307,498	307,498

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

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

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

For the year ended June 30, 2015, the District recognized pension expense of \$232,724. At June 30, 2015, the District reported a liability of \$6,296,822 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	198,006	
Net difference between projected and actual earnings on pension plan investments		375,256
Changes in proportion and differences between District contributions and proportionate share of contributions		516,419
District contributions subsequent to the measurement Date	277,257	
Total	\$ 475,263	\$ 891,675

\$277,257 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Inflow of Resources:
2016	\$ 138,734
2017	138,734
2018	138,734
2019	138,734
2020	138,733
Total	\$ 693,669

**Additional Information**

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

	6/30/2014	6/30/2013
Collective deferred outflows of resources	\$ 952,194,675	\$ (1)
Collective deferred inflows of resources	\$ 1,479,224,662	\$ (1)
Collective net pension liability	\$ 18,722,735,003	\$ 19,111,986,911
District's Proportion	.0336319567%	.0368307263%

(1) – Information not available.

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

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

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

Inflation rate: 3.01%  
 Salary Increases:  
     2012-2021: 2.15-4.40% based on age  
     Thereafter: 3.15-5.40% based on age  
 Investment Rate of Return: 7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

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

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

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

*Discount rate.* The discount rate used to measure the State's total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

**9. PENSION PLANS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the District's proportionate share of the net pension liability measured as of June 30, 2014, calculated using the discount rate of 5/39%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.39%) or 1 percentage point higher (6.39%) than the current rate:

	<b>1% Decrease (4.39%)</b>	<b>Current Discount Rate (5.39%)</b>	<b>1% Increase (6.39%)</b>
District's proportionate share of the net pension liability	\$ 7,921,616	\$ 6,296,822	\$ 4,932,408

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

**Defined Contribution Retirement Program (DCRP)**

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

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

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

<u>Year</u>	<u>Total Liability</u>	<u>Paid by District</u>
2015	\$ 19,976	\$ 19,976
2014	20,317	20,317
2013	14,862	14,862

**10. POST-RETIREMENT BENEFITS**

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

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

**10. POST-RETIREMENT BENEFITS (Continued)**

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid 165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

The State establishes the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contribution to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the year ended June 30, 2015 was \$1,335,377 which equaled the required contributions. The State's contribution to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2015, the School District has recognized as revenues and expenditures \$841,182 of on-behalf payments made by the State of New Jersey for normal retirement costs related to TPAF and \$1,140,696 for employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**12. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. The District has chosen to purchase insurance to transfer risk to outside parties.

**Property and Liability Insurance** – The District is a member of the Burlington County School Joint Insurance Fund (BCIPJIF), a public entity risk pool currently operating as a common risk management and insurance program. The District pays an actuarial determined annual assessment to BCIPJIF for its insurance coverage. Supplemental assessments may be levied to supplement the fund. The District has not been notified of any supplemental assessments.

In addition, the District carries commercial insurance for all other risks of loss, including employee health, accident insurance and public official surety bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

A complete schedule of insurance coverage can be found in the "Statistical Section" of this report.

**New Jersey Unemployment Compensation Insurance** - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Business Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

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

**12. RISK MANAGEMENT (Continued)**

**New Jersey Unemployment Compensation Insurance (Continued)** - The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and prior four years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Board Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$ 21,277	\$ -	\$ 884	\$ 18,752	\$ 554,802
2013-2014	30,049	-	1,272	17,662	541,393
2012-2013	22,780	-	3,908	123,906	527,734
2011-2012	31,002	244,867	4,165	181,875	624,952
2010-2011	29,423	293,282	2,515	195,282	526,793

**13. DEFERRED COMPENSATION**

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

**14. COMPENSATED ABSENCES**

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

School District employees are granted vacation and sick leave in varying amounts in accordance with the School District's personnel policies. Unused sick leave may be accumulated carried forward to the subsequent years. Employees who retire from the School District shall be paid for unused sick leave in accordance with the School District's agreements with the various employee unions.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2015, the liability for compensated absences in the governmental fund was \$1,388,985.

**15. FLEXIBLE BENEFITS PROGRAM**

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

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

**15. FLEXIBLE BENEFITS PROGRAM (Continued)**

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earnings</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$ 162,488	\$ 144	\$ 51,904	\$ 284,311	\$ 76,151
2013-2014	-	1,127	-	210,844	145,926
2012-2013	165,600	2,227	58,076	102,595	355,643
2011-2012	132,000	2,058	56,805	174,512	232,335
2010-2011	167,000	1,864	90,467	280,061	215,984

**16. INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2015. The following interfund balances were recorded on the various balance sheets as of June 30, 2015:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 415,988	\$ 204,144
Special Revenue		372,803
Proprietary	12,644	
Fiduciary	191,500	43,185
	<u>\$ 620,132</u>	<u>\$ 620,132</u>

**17. CONTINGENCIES**

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

At June 30, 2015, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

**18. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2015, a deficit of \$7,612,744 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances June 30, 2015	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ 621,022
Liabilities:	
Accrued Interest Payable	(131,547)
Net Pension Differences	(6,713,234)
Compensated Absences	(1,388,985)
Unrestricted Net Position (Deficit)	<u>\$ (7,612,744)</u>

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

**19. FUND BALANCES**

*RESTRICTED*

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

**General Fund:**

**Excess Surplus** – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2015 is \$515,396 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$639,455 of excess fund balance generated during the 2013-2014 fiscal year has been restricted and designated for utilization in the 2015-2016 budget.

**Capital Reserve** – As of June 30, 2015, the balance in the capital reserve account is \$1,718,481 which is restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan.

**Maintenance Reserve Account** – As of June 30, 2015, the balance in the maintenance reserve account is \$200,000. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

*ASSIGNED*

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

**General Fund:**

**Other Purposes** – At June 30, 2015 the School District has \$422,631 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Debt Service Fund:**

**Designated for Subsequent Year's Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2015, \$1,134 of debt service fund balance.

*UNASSIGNED*

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

**General Fund** – As of June 30, 2015, \$621,022 of general fund balance was unassigned.

**Capital Projects Fund** – As of June 30, 2015, \$320,165 of capital projects fund balance was unassigned.

**Debt Service Fund** – As of June 30, 2015, \$654 of debt service fund balance was unassigned.

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

**20. RESTATEMENT OF NET POSITION**

Net position on the government-wide Statement of Activities as of July 1, 2014, has been restated for implementation of GASB-68.

The government-wide and fund financial statements were restated as follows:

	<b>Government -wide Statements</b>
	<b>Governmental Activities</b>
Net Position as of June 30, 2014, as previously reported	\$ 14,387,720
Prior Period Adjustment - Implementation GASB 68:	
Net Pension Liability	(7,039,084)
Deferred Outflows - District's Contribution made during fiscal year 2014	277,512
Net Position as Restated, July 1, 2014	\$ 7,626,148

Required Supplementary Information - Part II

Budgetary Comparison Schedules

HADDONFIELD BOARD OF EDUCATION  
 Budgetary Comparison Schedule  
 General Fund  
 Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 32,022,692	\$ -	\$ 32,022,692	\$ 32,022,692	\$ -
Tuition - Individuals	498,000		498,000	400,907	(97,093)
Tuition - Other Leas's within State				32,740	32,740
Tuition - Other Sources				71,629	71,629
Capital reserve interest	1,500		1,500	3,612	2,112
Unrestricted miscellaneous revenue	87,000		87,000	277,318	190,318
<b>Total local sources</b>	<b>32,609,192</b>		<b>32,609,192</b>	<b>32,808,898</b>	<b>199,706</b>
State sources:					
Extraordinary Aid	350,000		350,000	200,817	(149,183)
Special Education Aid	803,671		803,671	803,671	
Security Aid	36,070		36,070	36,070	
Adjustment Aid	252		252	252	
Transportation Aid	36,655		36,655	36,655	
Other state aid	51,388		51,388	51,388	
On-behalf TPAF post retirement medical (non-budgeted)				1,335,377	1,335,377
On-behalf TPAF pension contributions (non-budgeted)				841,182	841,182
Reimbursed TPAF social security contributions (non-budgeted)				1,140,696	1,140,696
<b>Total state sources</b>	<b>1,278,036</b>		<b>1,278,036</b>	<b>4,446,108</b>	<b>3,168,072</b>
<b>TOTAL REVENUES</b>	<b>33,887,228</b>		<b>33,887,228</b>	<b>37,255,006</b>	<b>3,367,778</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	415,000	8,800	423,800	398,139	25,661
Grades 1-5	3,877,567	(186,209)	3,691,358	3,685,750	5,608
Grades 6-8	2,657,713	(40,515)	2,617,198	2,566,659	50,539
Grades 9-12	3,829,480	(82,687)	3,746,793	3,705,978	40,815
<b>Total Instruction</b>	<b>10,779,760</b>	<b>(300,611)</b>	<b>10,479,149</b>	<b>10,356,526</b>	<b>122,623</b>
Regular Programs - Home Instruction:					
Salaries of teachers					
	125,000	(45,000)	80,000	53,992	26,008
<b>Total Home Instruction</b>	<b>125,000</b>	<b>(45,000)</b>	<b>80,000</b>	<b>53,992</b>	<b>26,008</b>

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

(CONTINUED TO NEXT PAGE)

**HADDONFIELD BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Regular Programs - Undistributed Instruction:					
Other salaries for instruction	\$ 375,360	\$ (48,350)	\$ 327,010	\$ 310,796	\$ 16,214
Purchased professional - educ services	8,500	245,000	253,500	229,661	23,839
General supplies	320,610	365,855	686,465	551,288	135,177
Textbooks	262,815	36,942	299,757	163,393	136,364
Other objects	21,000	65	21,065	19,327	1,738
Total Undistributed Instruction	<u>988,285</u>	<u>599,512</u>	<u>1,587,797</u>	<u>1,274,465</u>	<u>313,332</u>
Total - Regular Programs - Instruction	<u>11,893,045</u>	<u>253,901</u>	<u>12,146,946</u>	<u>11,684,983</u>	<u>461,963</u>
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	63,094	6,000	69,094	68,307	787
General supplies	6,000	(3,000)	3,000	2,400	600
Total Multiple Disabilities	<u>69,094</u>	<u>3,000</u>	<u>72,094</u>	<u>70,707</u>	<u>1,387</u>
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	2,127,232	(70,000)	2,057,232	2,047,829	9,403
Other salaries for instruction	612,000	(8,500)	603,500	599,626	3,874
General supplies	13,000		13,000	12,988	12
Textbooks	6,000		6,000	5,923	77
Total Resource Room/Resource Center	<u>2,758,232</u>	<u>(78,500)</u>	<u>2,679,732</u>	<u>2,666,366</u>	<u>13,366</u>
Special Educ Instruction: Autism					
Purchased professional - educ services	884,915	(31,637)	853,278	800,555	52,723
Total Autism	<u>884,915</u>	<u>(31,637)</u>	<u>853,278</u>	<u>800,555</u>	<u>52,723</u>
Special Educ Instruction: Preschool Disabilities - PT					
Salaries of teachers	193,421	2,500	195,921	193,925	1,996
Other salaries for instruction	143,942	(90,163)	53,779	48,575	5,204
General supplies	1,750		1,750	1,096	654
Total Preschool Disabilities - Part-Time	<u>339,113</u>	<u>(87,663)</u>	<u>251,450</u>	<u>243,596</u>	<u>7,854</u>
Total Special Education - Instruction	<u>4,051,354</u>	<u>(194,800)</u>	<u>3,856,554</u>	<u>3,781,224</u>	<u>75,330</u>
School-Sponsored Cocurricular Act - Inst.					
Salaries	283,000	30,560	313,560	312,288	1,272
Supplies and materials	46,500	(11,007)	35,493	34,894	599
Total School-Sponsored Cocurr. Act. - Inst	<u>329,500</u>	<u>19,553</u>	<u>349,053</u>	<u>347,182</u>	<u>1,871</u>
School-Sponsored Athletics - Inst.					
Salaries	555,647	(30,299)	525,348	523,648	1,700
Purchased services (300-500)	90,000	2,133	92,133	92,113	20
Supplies and materials	29,626	(1,174)	28,452	28,450	2
Other objects		5,330	5,330	5,330	
Total School-Sponsored Athletics - Inst	<u>675,273</u>	<u>(24,010)</u>	<u>651,263</u>	<u>649,541</u>	<u>1,722</u>

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

(CONTINUED TO NEXT PAGE)

**HADDONFIELD BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Instructional Programs - Instruction					
Salaries	\$ 113,500	\$ 41,255	\$ 154,755	\$ 145,012	\$ 9,743
Total Other Instructional Programs - Inst.	<u>113,500</u>	<u>41,255</u>	<u>154,755</u>	<u>145,012</u>	<u>9,743</u>
Undistributed Expenditures - Instruction					
Tuition to CSSD & reg day schools		1,606	1,606	1,606	
Tuition to priv. sch. for the disabled w/i state	1,465,965	(197,899)	1,268,066	1,185,143	82,923
Tuition to priv. sch. for the disabled and other lea's - out of state	130,000	(10,788)	119,212	119,212	
Tuition - State Facilities		57,081	57,081	57,081	
Total Undistributed Expenditures - Instruction	<u>1,595,965</u>	<u>(150,000)</u>	<u>1,445,965</u>	<u>1,363,042</u>	<u>82,923</u>
Undistributed Expenditures - Attend. and Social Work					
Purchased prof. and technical services	2,000		2,000	962	1,038
Total Undistributed Expenditures - Attendance	<u>2,000</u>		<u>2,000</u>	<u>962</u>	<u>1,038</u>
Undistributed Expenditures - Health Services					
Salaries	268,475	1,003	269,478	268,920	558
Purchased prof. and technical services	1,000	5,693	6,693	5,879	814
Supplies and materials	21,700	(6,696)	15,004	14,768	236
Total Undistributed Expenditures - Health Svcs.	<u>291,175</u>		<u>291,175</u>	<u>289,567</u>	<u>1,608</u>
Undist. Expend. - Speech, OT, PT & Rel. Serv.					
Salaries	562,060	(4,000)	558,060	552,480	5,580
Purchased prof. and educational services	215,000	(56,000)	159,000	66,887	92,113
Supplies and materials	5,000		5,000	3,881	1,119
Total Undst. Expend. - Speech, OT, PT & Rel. Serv.	<u>782,060</u>	<u>(60,000)</u>	<u>722,060</u>	<u>623,248</u>	<u>98,812</u>
Undist. Expend. - Other Supp. Serv. Stud. - Extra. Serv.					
Purchased prof. and educational services	110,000		110,000	51,805	58,195
Total Undst. Expend. - Other Supp. Serv. Stud. - Extra. Serv.	<u>110,000</u>		<u>110,000</u>	<u>51,805</u>	<u>58,195</u>
Undist. Expenditures - Guidance					
Salaries of other professional staff	700,880	9,300	710,180	705,083	5,097
Salaries of secretarial and clerical assistants	55,188	1,100	56,288	56,250	38
Supplies and materials	1,650	4,327	5,977	5,934	43
Other objects	14,000	(9,952)	4,048	2,602	1,446
Total Undst. Expenditures - Guidance	<u>771,718</u>	<u>4,775</u>	<u>776,493</u>	<u>769,869</u>	<u>6,624</u>
Undist. Expend. - Child Study Teams					
Salaries of other professional staff	689,063	75,500	764,563	756,085	8,478
Salaries of secretarial and clerical assistants	113,398	200	113,598	113,552	46
Supplies and materials	16,000	(200)	15,800	15,765	35
Total Undst. Expenditures - Child Study Teams	<u>818,461</u>	<u>75,500</u>	<u>893,961</u>	<u>885,402</u>	<u>8,559</u>

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

(CONTINUED TO NEXT PAGE)

**HADDONFIELD BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisors of instruction	\$ 68,526	\$ 56,500	\$ 125,026	\$ 124,866	\$ 160
Salaries of other professional staff	98,009	(98,009)			-
Other purchased services (400-500)	2,000		2,000	1,719	281
Other objects	110,400	(12,571)	97,829	75,623	22,206
<b>Total Undst. Expend. - Improvement of Instr. Services</b>	<b>278,935</b>	<b>(54,080)</b>	<b>224,855</b>	<b>202,208</b>	<b>22,647</b>
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	243,021	(38,400)	204,621	196,822	7,799
Salaries of Technology Coordinators		122,752	122,752	122,752	
Other purchased services (400-500)	3,000	(445)	2,555	391	2,164
Supplies and materials	51,250	(1,000)	50,250	38,374	11,876
<b>Total Undst. Expend. - Educ. Media Serv./Sch. Library</b>	<b>297,271</b>	<b>82,907</b>	<b>380,178</b>	<b>358,339</b>	<b>21,839</b>
Undist. Expend. - Instructional Staff Training Services					
Other purchased services	14,000	5,500	19,500	19,425	75
<b>Total Undst. Expend. - Instr. Staff Training Services</b>	<b>14,000</b>	<b>5,500</b>	<b>19,500</b>	<b>19,425</b>	<b>75</b>
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	373,352		373,352	365,438	7,914
Legal services	90,000	49,000	139,000	137,483	1,517
Audit fees	29,000	-	29,000	29,000	-
Other purchased professional services	1,000	-	1,000		1,000
Purchased technical services	14,000	-	14,000	9,145	4,855
Communications / telephone	107,500	(13,599)	93,901	88,380	5,521
Other purchased services (400-500)	25,000	(300)	24,700	24,321	379
General Supplies	5,000	700	5,700	4,628	1,072
Miscellaneous expenditures	44,500	600	45,100	43,923	1,177
<b>Total Undst. Expend. - Supp. Serv. General Admin.</b>	<b>689,352</b>	<b>36,401</b>	<b>725,753</b>	<b>702,318</b>	<b>23,435</b>
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	803,567	(9,500)	794,067	789,364	4,703
Salaries of other professional staff	133,145	(39,000)	94,145	94,095	50
Salaries of secretarial and clerical assistants	387,693	26,086	413,779	409,426	4,353
Other purchased services	13,000	(4,450)	8,550	3,402	5,148
Supplies and materials	92,800	16,063	108,863	106,621	2,242
Other objects	18,100	(430)	17,670	15,495	2,175
<b>Total Undst. Expend. - Supp. Serv. School Admin.</b>	<b>1,448,305</b>	<b>(11,231)</b>	<b>1,437,074</b>	<b>1,418,403</b>	<b>18,671</b>
Undist. Expend. - Central Services					
Salaries	348,163	82,870	431,033	423,961	7,072
Purchased professional services	25,000	-	25,000	23,105	1,895
Supplies and materials	4,500	1,000	5,500	3,831	1,669
Miscellaneous expenditures	10,000	(400)	9,600	9,514	86
<b>Total Undst. Expend. - Central Services</b>	<b>387,663</b>	<b>83,470</b>	<b>471,133</b>	<b>460,411</b>	<b>10,722</b>

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

(CONTINUED TO NEXT PAGE)

**HADDONFIELD BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Admin. Info. Technology					
Salaries	\$ -	\$ 214,915	\$ 214,915	\$ 214,503	\$ 412
<b>Total Undst. Expend. - Admin. Info. Technology</b>	<b>-</b>	<b>214,915</b>	<b>214,915</b>	<b>214,503</b>	<b>412</b>
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	507,715	(168,794)	338,921	336,187	2,734
Cleaning, repair, and maintenance services	353,714	(37,800)	315,914	297,238	18,676
General supplies	170,000	(44,539)	125,461	113,822	11,639
Other objects	4,000	(245)	3,755	780	2,975
<b>Total Undst. Expend. - Required Maint. Sch. Facilities</b>	<b>1,035,429</b>	<b>(251,378)</b>	<b>784,051</b>	<b>748,027</b>	<b>36,024</b>
Undist. Expend. - Custodial Services					
Salaries	203,097	(201,406)	1,691	843	848
Purchased professional & tech. services	1,206,864	(1,183,900)	22,964	21,790	1,174
Cleaning, repair, and maintenance services		1,123,600	1,123,600	1,024,692	98,908
Rental of land & bldg. oth. than lease purch. agrmt.	150,800	(5,037)	145,763	124,131	21,632
Other purchased property services	75,000	2,357	77,357	77,328	29
Insurance	155,000	530	155,530	155,530	-
General supplies		77,767	77,767	73,601	4,166
Energy (Natural Gas)	350,000	86,008	436,008	436,008	-
Energy (Electricity)	350,000	(37,000)	313,000	313,000	-
Energy (Gasoline)		16,883	16,883	16,883	-
<b>Total Undst. Expend. - Custodial Services</b>	<b>2,490,761</b>	<b>(120,198)</b>	<b>2,370,563</b>	<b>2,243,806</b>	<b>126,757</b>
Undist. Expend. - Care and Upkeep of Grounds					
Salaries		156,485	156,485	150,609	5,876
General supplies		60,000	60,000	48,101	11,899
<b>Total Undst. Expend. - Care and Upkeep of Grounds</b>	<b>-</b>	<b>216,485</b>	<b>216,485</b>	<b>198,710</b>	<b>17,775</b>
<b>Total Undst. Expend. - Oper. &amp; Maint. of Plant Services</b>	<b>3,526,190</b>	<b>(155,091)</b>	<b>3,371,099</b>	<b>3,190,543</b>	<b>180,556</b>
Undist. Expend. - Student Trans. Services					
Salaries for pupil trans (other than bet home & sch)		74,600	74,600	57,811	16,789
Salaries for pupil trans (bet home & sch) - special	205,631	(2,302)	203,329	186,439	16,890
Cleaning, repair, and maintenance services	25,000	3,000	28,000	27,668	332
Lease payments	50,000	(22,000)	28,000	12,584	15,416
Contr. serv. (other than bet. home & sch.) - vendors	38,400	-	38,400	29,876	8,524
Contr. serv. (sp ed stds) - ESC's & CTSA's	292,170	(43,200)	248,970	229,957	19,013
<b>Total Undst. Expend. - Student Trans. Services</b>	<b>611,201</b>	<b>10,098</b>	<b>621,299</b>	<b>544,335</b>	<b>76,964</b>
Unallocated Benefits - Employee Benefits					
Social security contributions	475,000	(94,000)	381,000	380,168	832
Other retirement contributions - PERS	400,000	(90,143)	309,857	304,135	5,722
Unemployment compensation					
Workmen's compensation	145,000	-	145,000	145,000	-
Health benefits	4,268,240	(251,944)	4,016,296	4,016,087	209
Tuition reimbursement	40,000	2,700	42,700	34,509	8,191
Other employee benefits	75,000	113,875	188,875	188,608	267
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>5,403,240</b>	<b>(319,512)</b>	<b>5,083,728</b>	<b>5,068,507</b>	<b>15,221</b>
On-behalf TPAF post retirement medical (non-budgeted)				1,335,377	(1,335,377)
On-behalf TPAF pension contributions (non-budgeted)				841,182	(841,182)
Reimbursed TPAF social security contributions (non-budgeted)				1,140,696	(1,140,696)
<b>Total Undistributed Expenditures - TPAF</b>				<b>3,317,255</b>	<b>(3,317,255)</b>

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

(CONTINUED TO NEXT PAGE)

HADDONFIELD BOARD OF EDUCATION  
 Budgetary Comparison Schedule  
 General Fund  
 Fiscal Year Ended June 30, 2015

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Total Undistributed Expenditures	\$ 17,027,536	\$ (236,348)	\$ 16,791,188	\$ 19,480,142	\$ (2,688,954)
Total General Current Expense	34,090,208	(140,449)	33,949,759	36,088,084	(2,138,325)
<b>EXPENDITURES:</b>					
<b>CAPITAL OUTLAY</b>					
Equipment					
Undistributed Expend. - Non-Instruction Services	122,000	1,500	123,500	123,235	265
Total Equipment	122,000	1,500	123,500	123,235	265
Facilities Acquisition and Construction Services					
Construction Services	223,768	44,699	268,467	268,185	282
Other Objects		131,000	131,000	129,371	1,629
Assessment for Debt Service on SDA Funding	115,381		115,381	115,381	
Total Facilities Acquisition and Construction Services	339,149	175,699	514,848	512,937	1,911
Total Capital Outlay	461,149	177,199	638,348	636,172	2,176
<b>SPECIAL SCHOOLS:</b>					
<b>SUMMER SCHOOL:</b>					
Summer School - Instruction:					
Salaries of Teachers	178,390	(40,250)	138,140	138,139	1
General Supplies		3,500	3,500	3,477	23
Total Special Schools	178,390	(36,750)	141,640	141,616	24
Total Expenditures	34,729,747	-	34,729,747	36,865,872	(2,136,125)
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(842,519)		(842,519)	389,134	1,231,653
Other Financing Sources (Uses):					
Total Other Financing Sources					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(842,519)		(842,519)	389,134	1,231,653
Fund Balance, July 1	3,777,801		3,777,801	3,777,801	
Fund Balance, June 30	\$ 2,935,282	\$ -	\$ 2,935,282	\$ 4,166,935	\$ 1,231,653
<b>Recapitulation of Fund Balance</b>					
<b>Restricted Fund Balance:</b>					
Reserved Excess Surplus - Designated for Subsequent Years Expenditures				\$ 639,455	
Reserve for Excess Surplus				515,396	
Reserve for Encumbrances				422,631	
Capital Reserve				1,718,481	
Maintenance Reserve				200,000	
Unassigned Fund Balance				670,972	
				4,166,935	
Reconciliation on Governmental Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				(49,950)	
Fund Balance per Government Fund (GAAP)				\$ 4,116,985	

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

**HADDONFIELD SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**Fiscal Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
State sources	\$ 379,628	\$ 14,748	\$ 394,376	\$ 303,413	\$ (90,963)
Federal sources	615,717	48,737	664,454	547,420	(117,034)
Total revenues	<u>995,345</u>	<u>63,485</u>	<u>1,058,830</u>	<u>850,833</u>	<u>(207,997)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers					
Purchased professional - educ. services	298,897	14,748	313,645	225,773	87,872
Purchased professional - tech. services	55,052		55,052	54,638	414
Other purchased services					
Tuition	543,443	(61,732)	481,711	418,530	63,181
General supplies					
Textbooks	<u>25,679</u>		<u>25,679</u>	<u>23,002</u>	<u>2,677</u>
Total instruction	<u>923,071</u>	<u>(46,984)</u>	<u>876,087</u>	<u>721,943</u>	<u>154,144</u>
Support services:					
Other salaries for instruction					
Personal services - employee benefits					
Purchased professional - educ. services					
Other purchased professional services					
Purchased professional and technical services	44,025	74,910	118,935	97,039	21,896
Other purchased services	17,249	24,878	42,127	10,172	31,955
Travel					
Supplies and materials	11,000	10,681	21,681	21,679	2
Other objects					
Total support services	<u>72,274</u>	<u>110,469</u>	<u>182,743</u>	<u>128,890</u>	<u>53,853</u>
Facilities acquisition and construction services:					
Instructional equipment					
Noninstructional equipment					
Total facilities acq. and const. services					
Total expenditures	<u>995,345</u>	<u>63,485</u>	<u>1,058,830</u>	<u>850,833</u>	<u>207,997</u>
Total outflows	<u>995,345</u>	<u>63,485</u>	<u>1,058,830</u>	<u>850,833</u>	<u>207,997</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Haddonfield School District  
Notes to Required Supplementary Information  
Budgetary Comparison**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 37,255,006	\$ 850,833
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	53,342	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(49,950)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 37,258,398</u>	<u>\$ 850,833</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 36,865,872	\$ 850,833
Differences - budget to GAAP		
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>                    </u>	<u>                    </u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 36,865,872</u>	<u>\$ 850,833</u>

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

**HADDONFIELD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees Retirement System**  
**Last Fiscal Year**

	June 30, 2015
District's proportion of the net pension liability (asset)	0.0336319567%
District's proportionate share of the net pension liability (asset)	\$ 6,296,822
District's covered-employee payroll	2,249,833
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	279.88%
Plan fiduciary net position as a percentage of the total pension liability	42.74%

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

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

	<u>June 30, 2015</u>
Contractually required contribution	\$ 277,257
Contributions in relation to the contractually required contributions	<u>(277,257)</u>
Contribution deficiency (excess)	<u>\$ -</u>
District's covered-employee payroll	\$ 2,249,833
Contributions as a percentage of covered-employee payroll	12.32%

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

**HADDONFIELD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last Fiscal Year**

	June 30, <u>2015</u>
District's proportion of the net pension liability (asset)	0.1538329676%
District's proportionate share of the net pension liability (asset)	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 82,218,714</u>
<b>Total</b>	<u><u>\$ 82,218,714</u></u>
District's covered-employee payroll	\$ 15,578,525
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%
Plan fiduciary net position as a percentage of the total pension liability	33.64%

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

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

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

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

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

**2. Public Employees' Retirement System (PERS)**

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

*Changes of assumptions.* Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 Based on Projection Scale AA.

Other Supplementary Information

Special Revenue Fund  
Detail Statements

**HADDONFIELD SCHOOL DISTRICT**  
**Special Revenue Fund**  
Combining Statement of Revenues and Expenditures  
Budgetary Basis  
for the Fiscal Year ended June 30, 2015

	Brought Forward (Exh. E-1B)	Brought Forward (Exh. E-1C)	Total
<b>REVENUES:</b>			
State sources	\$ 239,564	\$ 63,849	\$ 303,413
Federal sources		547,420	547,420
Total revenues	<u>\$ 239,564</u>	<u>\$ 611,269</u>	<u>\$ 850,833</u>
<b>EXPENDITURES:</b>			
<i>Instruction:</i>			
Salaries of teachers			
Purchased professional educational services	\$ 225,773	\$ -	\$ 225,773
Purchased professional and technical services	13,791	40,847	54,638
Other purchased services			
Tuition		418,530	418,530
General supplies			
Textbooks		23,002	23,002
Total instruction	<u>239,564</u>	<u>482,379</u>	<u>721,943</u>
<i>Support services:</i>			
Other salaries for instruction			
Personal services-employee benefits			
Purchased professional and educational services			
Purchased professional and technical services		97,039	97,039
Other purchased services		10,172	10,172
Supplies and materials		21,679	21,679
Other objects			
Total support services		<u>128,890</u>	<u>128,890</u>
<i>Facilities acquisition &amp; construction services</i>			
Instructional equipment			
Total facilities acquisition & construction services		---	---
Total expenditures	<u>\$ 239,564</u>	<u>\$ 611,269</u>	<u>\$ 850,833</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HADDONFIELD SCHOOL DISTRICT**  
**Special Revenue Fund**  
 Combining Statement of Revenues and Expenditures  
 Budgetary Basis  
 for the Fiscal Year ended June 30, 2015

	Nonpublic Auxiliary Services			Nonpublic Handicapped Services				Carried Forward (Exh. E-1A)
	Compensatory Education	Nonpublic Home Instruction	Transportation	Corrective Speech	Suppl. Instruction	Exam, & Classification	Nonpublic Technology	
<b>REVENUES:</b>								
State sources	\$ 100,957	\$ 2,867	\$ 3,958	\$ 42,319	\$ 34,605	\$ 41,067	\$ 13,791	\$ 239,564
Federal sources								
<b>Total revenues</b>	<b>\$ 100,957</b>	<b>\$ 2,867</b>	<b>\$ 3,958</b>	<b>\$ 42,319</b>	<b>\$ 34,605</b>	<b>\$ 41,067</b>	<b>\$ 13,791</b>	<b>\$ 239,564</b>
<b>EXPENDITURES:</b>								
<u>Instruction:</u>								
Salaries of teachers								
Other salaries for instruction								
Purchased professional educational services	100,957	2,867	3,958	42,319	34,605	41,067		225,773
Purchased professional and technical services							13,791	13,791
Tuition								
General supplies								
Textbooks								
<b>Total instruction</b>	<b>100,957</b>	<b>2,867</b>	<b>3,958</b>	<b>42,319</b>	<b>34,605</b>	<b>41,067</b>	<b>13,791</b>	<b>239,564</b>
<u>Support services:</u>								
Other salaries for instruction								
Personal services-employee benefits								
Purchased professional educational services								
Purchased professional and technical services								
Purchased property services								
Travel								
Other purchased services								
Supplies and materials								
Other objects								
<b>Total support services</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<u>Facilities acquisition &amp; construction services</u>								
Instructional equipment								
Noninstructional equipment								
<b>Total facilities acquisition &amp; construction services</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Total expenditures</b>	<b>\$ 100,957</b>	<b>\$ 2,867</b>	<b>\$ 3,958</b>	<b>\$ 42,319</b>	<b>\$ 34,605</b>	<b>\$ 41,067</b>	<b>\$ 13,791</b>	<b>\$ 239,564</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**HADDONFIELD SCHOOL DISTRICT**  
**Special Revenue Fund**  
Combining Statement of Revenues and Expenditures  
Budgetary Basis  
for the Fiscal Year ended June 30, 2015

	IDEA		Title II - Part A Current Year	Nonpublic Textbooks	Nonpublic Nursing	Carried Forward (Exh. E-1A)
	Preschool Current Yr.	Basic Current Yr.				
<b>REVENUES:</b>						
State sources	\$ -	\$ -	\$ -	\$ 23,002	\$ 40,847	\$ 63,849
Federal sources	28,646	483,166	35,608			547,420
Total revenues	<u>\$ 28,646</u>	<u>\$ 483,166</u>	<u>\$ 35,608</u>	<u>\$ 23,002</u>	<u>\$ 40,847</u>	<u>\$ 611,269</u>
<b>EXPENDITURES:</b>						
<i>Instruction:</i>						
Salaries of teachers						
Other salaries for instruction						
Purchased professional educational services						
Purchased professional and technical services					40,847	40,847
Other purchased services						
Tuition		418,530				418,530
General supplies						
Textbooks				23,002		23,002
		<u>418,530</u>		<u>23,002</u>	<u>40,847</u>	<u>482,379</u>
<i>Support services:</i>						
Other salaries for instruction						
Personal services-employee benefits						
Purchased professional educational services						
Purchased professional and technical services	6,967	64,636	25,436			97,039
Purchased property services						
Travel						
Other purchased services			10,172			10,172
Supplies and materials	21,679					21,679
Total support services	<u>28,646</u>	<u>64,636</u>	<u>35,608</u>	<u>---</u>	<u>---</u>	<u>128,890</u>
<i>Facilities acquisition &amp; construction services</i>						
Instructional equipment						
Non-instructional equipment						
Total facilities acquisition & construction services	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total expenditures	<u>\$ 28,646</u>	<u>\$ 483,166</u>	<u>\$ 35,608</u>	<u>\$ 23,002</u>	<u>\$ 40,847</u>	<u>\$ 611,269</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Projects Fund  
Detail Statements

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

<b>Revenues and Other Financing Sources:</b>	
Interest earned on investments	\$ 654
Total revenues and other financing sources	<u>654</u>
<b>Expenditures and Other Financing (Uses):</b>	
Construction services	
Transfer to debt service	<u>654</u>
Total expenditures and other financing (uses)	<u>654</u>
Excess (deficiency) or revenues over (under) expenditures	
Fund Balance - July 1, 2014	<u>320,165</u>
Fund Balance - June 30, 2015	<u>\$ 320,165</u>

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**J. Fithian Tatem Elementary School Renovations**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	Prior Periods	Current Year	Total	Revised Authorized Costs
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 120,120	\$ -	\$ 120,120	\$ 120,120
Transfer from capital reserve				
Bond proceeds	159,074		159,074	159,074
<b>Total revenues</b>	<b>279,194</b>		<b>279,194</b>	<b>279,194</b>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	35,036		35,036	35,036
Construction services	244,158		244,158	244,158
	279,194		279,194	279,194
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Additional project information:**

Project Number	SP#1900-090-04-0AMS
Grant Date	05/10/05
Bond Authorization Date	12/14/04
Bonds Authorized	\$ 186,366
Bonds Issued	\$ 186,366
Original Authorized Cost	\$ 338,486
Additional Authorized Cost	\$ (59,292)
Revised Authorized Cost	\$ 279,194
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	90.00%
Original target completion date	12/31/06
Revised target completion date	N/A

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**J. Fithian Tatem Elementary School Renovations**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 303,357	\$ -	\$ 303,357	\$ 303,357
Transfer from capital reserve				
Bond proceeds	525,266		525,266	525,266
<b>Total revenues</b>	<u>828,623</u>		<u>828,623</u>	<u>828,623</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	65,426		65,426	65,426
Construction services	763,197		763,197	763,197
	<u>828,623</u>		<u>828,623</u>	<u>828,623</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Additional project information:</b>				
Project Number	SP#1900-090-04-0AMR			
Grant Date	05/10/05			
Bond Authorization Date	12/14/04			
Bonds Authorized	\$ 530,928			
Bonds Issued	\$ 530,928			
Original Authorized Cost	\$ 802,285			
Additional Authorized Cost	\$ 26,338			
Revised Authorized Cost	\$ 828,623			
Percentage Increase over Original Authorized Cost	3.99%			
Percentage Completion	99.00%			
Original target completion date	12/31/06			
Revised target completion date	N/A			

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Elizabeth Haddon Elementary School Renovations**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 241,471	\$ -	\$ 241,471	\$ 241,471
Transfer from capital reserve				
Bond proceeds	475,631		475,631	475,631
Total revenues	<u>717,102</u>		<u>717,102</u>	<u>717,102</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	56,889		56,889	56,889
Construction services	656,396		656,396	656,396
	<u>713,285</u>		<u>713,285</u>	<u>713,285</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 3,817</u>	<u>\$ -</u>	<u>\$ 3,817</u>	<u>\$ 3,817</u>
<b>Additional project information:</b>				
Project Number	SP#1900-080-04-0AMP			
Grant Date	05/10/05			
Bond Authorization Date	12/14/04			
Bonds Authorized	\$ 475,631			
Bonds Issued	\$ 475,631			
Original Authorized Cost	\$ 657,102			
Additional Authorized Cost	\$ 60,000			
Revised Authorized Cost	\$ 717,102			
Percentage Increase over Original Authorized Cost	9.13%			
Percentage Completion	99.00%			
Original target completion date	12/31/06			
Revised target completion date	N/A			

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Elizabeth Haddon Elementary School Renovations**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 62,944	\$ -	\$ 62,944	\$ 62,944
Transfer from capital reserve				
Bond proceeds	134,463		134,463	134,463
<b>Total revenues</b>	<u>197,407</u>		<u>197,407</u>	<u>197,407</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	15,265		15,265	15,265
Construction services	179,105		179,105	179,105
	<u>194,370</u>		<u>194,370</u>	<u>194,370</u>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<u>\$ 3,037</u>	<u>\$ -</u>	<u>\$ 3,037</u>	<u>\$ 3,037</u>

**Additional project information:**

Project Number	SP#1900-080-04-0AMQ
Grant Date	05/10/05
Bond Authorization Date	12/14/04
Bonds Authorized	\$ 120,212
Bonds Issued	\$ 120,212
Original Authorized Cost	\$ 183,156
Additional Authorized Cost	\$ 14,251
Revised Authorized Cost	\$ 197,407
Percentage Increase over Original Authorized Cost	8.19%
Percentage Completion	99.00%
Original target completion date	12/31/06
Revised target completion date	N/A

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Central Elementary/Middle School Renovations**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 1,007,686	\$ -	\$ 1,007,686	\$ 1,007,686
Refund of prior year expenditures	92,890		92,890	92,890
Bond proceeds	1,514,325		1,514,325	1,514,325
Miscellaneous revenue	30,010	_____	30,010	30,010
Total revenues	2,644,911	_____	2,644,911	2,644,911
 <b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	285,646		285,646	285,646
Construction services	2,354,255		2,354,255	2,354,255
	2,639,901	_____	2,639,901	2,639,901
Excess (deficiency) or revenues over (under) expenditures	\$ 5,010	\$ -	\$ 5,010	\$ 5,010
 <b>Additional project information:</b>				
Project Number	SP#1900-070-04-0AMN			
Grant Date	05/10/05			
Bond Authorization Date	12/14/04			
Bonds Authorized	\$ 1,843,608			
Bonds Issued	\$ 1,843,608			
Original Authorized Cost	\$ 2,944,739			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 2,944,184			
 Percentage Increase over Original Authorized Cost 0.00%				
Percentage Completion 87.00%				
Original target completion date 12/31/06				
Revised target completion date N/A				

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Central Elementary/Middle School Renovations**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 665,740	\$ -	\$ 665,740	\$ 665,740
Transfer from capital reserve				
Bond proceeds	1,138,304		1,138,304	1,138,304
<b>Total revenues</b>	<u>1,804,044</u>		<u>1,804,044</u>	<u>1,804,044</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	131,924		131,924	131,924
Construction services	1,664,484		1,664,484	1,664,484
	<u>1,796,408</u>		<u>1,796,408</u>	<u>1,796,408</u>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<u>\$ 7,636</u>	<u>\$ -</u>	<u>\$ 7,636</u>	<u>\$ 7,636</u>
<b>Additional project information:</b>				
Project Number	SP#1900-070-04-0AMO			
Grant Date	05/10/05			
Bond Authorization Date	12/14/04			
Bonds Authorized	\$ 1,147,110			
Bonds Issued	\$ 665,740			
Original Authorized Cost	\$ 1,812,850			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 1,812,850			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	97.00%			
Original target completion date	12/31/06			
Revised target completion date	N/A			

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Haddonfield Memorial High School School Renovations**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources :</b>				
State sources - SCC Grant	\$ 1,887,520	\$ -	\$ 1,887,520	\$ 1,887,520
Transfer from capital reserve				
Bond proceeds	3,090,413		3,090,413	3,090,413
Miscellaneous revenue	26,909		26,909	\$26,909
Total revenues	<u>5,004,842</u>		<u>5,004,842</u>	<u>5,004,842</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	409,191		409,191	409,191
Construction services	4,568,742		4,568,742	4,568,742
	<u>4,977,933</u>		<u>4,977,933</u>	<u>4,977,933</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 26,909</u>	<u>\$ -</u>	<u>\$ 26,909</u>	<u>\$ 26,909</u>
<b>Additional project information:</b>				
Project Number	SP#1900-050-04-0AML			
Grant Date	05/10/05			
Bond Authorization Date	12/14/04			
Bonds Authorized	\$ 3,037,281			
Bonds Issued	\$ 3,037,281			
Original Authorized Cost	\$ 4,869,801			
Additional Authorized Cost	\$ 108,132			
Revised Authorized Cost	\$ 4,977,933			
Percentage Increase over Original Authorized Cost	1.12%			
Percentage Completion	99.00%			
Original target completion date	12/31/06			
Revised target completion date	N/A			

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Haddonfield Memorial High School School Renovations**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 325,966	\$ -	\$ 325,966	\$ 325,966
Transfer from capital reserve				
Bond proceeds	1,942,523		1,942,523	1,942,523
Miscellaneous revenue	6,358		6,358	6,358
Total revenues	<u>2,274,847</u>	<u>-</u>	<u>2,274,847</u>	<u>2,274,847</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	184,166		184,166	184,166
Construction services	2,084,323		2,084,323	2,084,323
	<u>2,268,489</u>	<u>-</u>	<u>2,268,489</u>	<u>2,268,489</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 6,358</u>	<u>\$ -</u>	<u>\$ 6,358</u>	<u>\$ 6,358</u>

**Additional project information:**

Project Number	SP#1900-050-04-0AMM
Grant Date	05/10/05
Bond Authorization Date	12/14/04
Bonds Authorized	\$ 1,623,864
Bonds Issued	\$ 1,623,864
Original Authorized Cost	\$ 2,079,830
Additional Authorized Cost	\$ (130,000)
Revised Authorized Cost	\$ 1,949,830
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	91.00%
Original target completion date	12/31/06
Revised target completion date	N/A

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Haddonfield Memorial High School Renovations**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 242,732	\$ -	\$ 242,732	\$ 242,732
Transfer from capital reserve				
Bond proceeds	526,758		526,758	526,758
Miscellaneous revenue	13,078		13,078	13,078
Total revenues	782,568		782,568	782,568
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services				
Construction services	650,901		650,901	650,901
	650,901		650,901	650,901
Excess (deficiency) or revenues over (under) expenditures	\$ 131,667	\$ -	\$ 131,667	\$ 131,667
<b>Additional project information :</b>				
Project Number	SP201155			
Grant Date	05/01/02			
Bond Authorization Date	---			
Bonds Authorized	\$ 526,758			
Bonds Issued	\$ 526,758			
Original Authorized Cost	\$ 877,930			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 877,930			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	98.00%			
Original target completion date	09/30/04			
Revised target completion date	09/30/05			

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Haddonfield Memorial High Partial Roof Replacement**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 110,600	\$ -	\$ 110,600	\$ 110,600
Transfer from capital outlay	165,900		165,900	165,900
<b>Total revenues</b>	<b>276,500</b>		<b>276,500</b>	<b>276,500</b>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services				
Construction services	225,019		225,019	225,019
	<b>225,019</b>		<b>225,019</b>	<b>225,019</b>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<b>\$ 51,481</b>	<b>\$ -</b>	<b>\$ 51,481</b>	<b>\$ 51,481</b>

**Additional project information :**

Project Number	1900-050-10-1004
Grant Date	03/21/11
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 276,500
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 276,500
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	0.00%
Original target completion date	12/31/11
Revised target completion date	06/30/12

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Elizabeth Haddon Partial Roof Replacement**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 84,580	\$ -	\$ 84,580	\$ 84,580
Transfer from capital outlay	176,170		176,170	176,170
<b>Total revenues</b>	<u>260,750</u>		<u>260,750</u>	<u>260,750</u>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services				
Construction services	260,750		260,750	260,750
	<u>260,750</u>		<u>260,750</u>	<u>260,750</u>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Additional project information:</b>				
Project Number	1900-080-10-1007			
Grant Date	07/15/13			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 211,450			
Additional Authorized Cost	\$ 49,300			
Revised Authorized Cost	\$ 260,750			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original target completion date	06/30/12			
Revised target completion date	06/30/12			

**HADDONFIELD SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Statement of Project Revenues, Expenditures, Project Balance,**  
**and Project Status - Budgetary Basis**  
**Central Elementary Partial Roof Replacement**  
**From Inception and for the Fiscal Year ended June 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
<b>Revenues and Other Financing Sources:</b>				
State sources - SCC Grant	\$ 56,500	\$ -	\$ 56,500	\$ 56,500
Transfer from capital outlay	84,750		84,750	84,750
	<u>141,250</u>	<u>-</u>	<u>141,250</u>	<u>141,250</u>
<b>Total revenues</b>				
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services				
Construction services	57,000		57,000	57,000
	<u>57,000</u>	<u>-</u>	<u>57,000</u>	<u>57,000</u>
<b>Excess (deficiency) or revenues over (under) expenditures</b>				
	<u>\$ 84,250</u>	<u>\$ -</u>	<u>\$ 84,250</u>	<u>\$ 84,250</u>
<b>Additional project information:</b>				
Project Number	1900-060-10-1005			
Grant Date	07/15/13			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 141,250			
Additional Authorized Cost				
Revised Authorized Cost	\$ 141,250			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	0.00%			
Original target completion date	06/30/13			
Revised target completion date	06/30/13			

HADDONFIELD SCHOOL DISTRICT  
 Capital Projects Fund  
 Summary Statement of Project Expenditures  
 Year Ended June 30, 2015

Issue/Project Title	Original Date	Appropriations	Expenditures to Date		Canceled	Unexpended Balance
			Prior Years	Current Year		
Various Capital Improvements to School Facilities	9/26/2000	\$ 18,300,749	\$ 18,154,214	\$ -	\$ 14,868	\$ 131,667
Various Capital Improvements to School Facilities	12/14/2004	13,687,694	13,634,927			52,767
Haddonfield Memorial High School Partial Roof Replacement	3/11/2011	276,500	225,019			51,481
Elizabeth Haddon Partial Roof Replacement	7/1/2012	260,750	260,750			
Central Elementary Partial Roof Replacement	7/1/2012	141,250	57,000			84,250
Total		<u>\$ 32,666,943</u>	<u>\$ 32,331,910</u>	<u>\$ -</u>	<u>\$ 14,868</u>	<u>\$ 320,165</u>

Proprietary Funds  
Detail Statements

**HADDONFIELD SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Net Position  
as of June 30, 2015

	<u>Food Service</u>	<u>Community Education</u>	<u>Total</u>
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 36,976	\$ 77,791	\$ 114,767
Accounts receivable:			
State	316		316
Federal	3,317		3,317
Interfund	12,644		12,644
Other	4,137		4,137
Inventories	<u>27,141</u>		<u>27,141</u>
Total current assets	<u>84,531</u>	<u>77,791</u>	<u>162,322</u>
Fixed assets:			
Equipment	382,016		382,016
Less Accumulated depreciation	<u>(333,004)</u>		<u>(333,004)</u>
Total fixed assets	<u>49,012</u>	<u>-</u>	<u>49,012</u>
Total assets	<u>\$ 133,543</u>	<u>\$ 77,791</u>	<u>\$ 211,334</u>
<b>LIABILITIES</b>			
Current liabilities:			
Unearned revenue	<u>\$ 19,058</u>	<u>\$ -</u>	<u>\$ 19,058</u>
Total current liabilities	<u>19,058</u>	<u>-</u>	<u>19,058</u>
<b>NET POSITION</b>			
Net investment in capital assets	49,012		49,012
Unrestricted	<u>65,473</u>	<u>77,791</u>	<u>143,264</u>
Total net position	<u>\$ 114,485</u>	<u>\$ 77,791</u>	<u>\$ 192,276</u>

**HADDONFIELD SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Revenues, Expenses and Changes in Fund Net Position  
for the Fiscal Years ended June 30, 2015

	<u>Food Service</u>	<u>Community Education</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Local sources:			
Daily sales-reimbursable programs:			
School lunch program	\$ 159,778	\$ -	\$ 159,778
Total-daily sales-reimbursable programs	159,778		159,778
Program fees		106,360	106,360
Daily sales non-reimbursable programs	298,422		298,422
Total operating revenue	<u>458,200</u>	<u>106,360</u>	<u>564,560</u>
<b>OPERATING EXPENSES:</b>			
Salaries	232,914	78,786	311,700
Supplies and materials	15,199		15,199
Depreciation	17,775		17,775
Management fee	30,948		30,948
Cost of Sales	206,033		206,033
Direct Expenses	12,746	12,240	24,986
Other	6,511		6,511
Total operating expenses	<u>522,126</u>	<u>91,026</u>	<u>613,152</u>
Operating income (loss)	<u>(63,926)</u>	<u>15,334</u>	<u>(48,592)</u>
<b>Non-operating revenues:</b>			
State sources:			
State school lunch program	1,571		1,571
Federal sources:			
National school lunch program	16,328		16,328
U.S.D.A. commodities	17,809		17,809
Miscellaneous	1,542		1,542
Interest revenue	247	122	369
Total non-operating revenues	<u>37,497</u>	<u>122</u>	<u>37,619</u>
Net income (loss) before contributions and transfers	<u>(26,429)</u>	<u>15,456</u>	<u>(10,973)</u>
Change in net position	(26,429)	15,456	(10,973)
Net position - July 1 (restated)	<u>140,914</u>	<u>62,335</u>	<u>203,249</u>
Net position - June 30	<u>\$ 114,485</u>	<u>\$ 77,791</u>	<u>\$ 192,276</u>

**HADDONFIELD SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Cash Flows  
for the Fiscal Years ended June 30, 2015

	<u>Food Service</u>	<u>Community Education</u>	<u>Total</u>
Cash flows from operating activities:			
Cash receipts from customers	\$ 460,507	\$ 106,360	\$ 566,867
Cash payments to employees for services	(232,914)	(78,786)	(311,700)
Cash payments to suppliers for goods and services	<u>(260,605)</u>	<u>(12,240)</u>	<u>(272,845)</u>
Net cash used by operating activities	<u>(33,012)</u>	<u>15,334</u>	<u>(17,678)</u>
Cash flows from noncapital financing activities:			
Cash received from state and federal reimbursements	<u>16,264</u>	<u>          </u>	<u>16,264</u>
Net cash provided by noncapital financing activities	<u>16,264</u>	<u>          </u>	<u>16,264</u>
Cash flows from capital financing activities:			
Purchases of fixed assets	<u>          </u>	<u>          </u>	<u>          </u>
Net cash used by capital financing activities	<u>          </u>	<u>          </u>	<u>          </u>
Cash flows from investing activities:			
Interest on investments	<u>247</u>	<u>122</u>	<u>369</u>
Net cash provided by investing activities	<u>247</u>	<u>122</u>	<u>369</u>
Net increase (decrease) in cash and cash equivalents	(16,501)	15,456	(1,045)
Cash and cash equivalents, July 1	<u>53,477</u>	<u>62,335</u>	<u>115,812</u>
Cash and cash equivalents, June 30	<u>\$ 36,976</u>	<u>\$ 77,791</u>	<u>\$ 114,767</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (63,926)	\$ 15,334	\$ (48,592)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation	17,775		17,775
Federal commodities	17,809		17,809
Cancellation of accounts payable/receivable	1,543		1,543
Change in assets and liabilities:			
(Increase)/decrease in inventory	(6,977)		(6,977)
(Increase)/decrease in accounts receivable	(1,156)		(1,156)
Increase/(decrease) in unearned revenue	<u>1,920</u>	<u>          </u>	<u>1,920</u>
Net cash used by operating activities	<u>\$ (33,012)</u>	<u>\$ 15,334</u>	<u>\$ (17,678)</u>

Fiduciary Funds  
Detail Statements

**HADDONFIELD SCHOOL DISTRICT**  
**Fiduciary Funds**  
Combining Statement of Net Position  
June 30, 2015

	Agency Funds		Employee Benefit Trust Funds		Total
	Student Activity	Payroll	Flexible Benefits Program	Unemployment Compensation Insurance Fund	
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 365,790	\$ 71,526	\$ 47,176	\$ 363,337	\$ 847,829
Interfund receivable				191,500	191,500
Other accounts receivable			73,736		73,736
<b>TOTAL ASSETS</b>	<b>\$ 365,790</b>	<b>\$ 71,526</b>	<b>\$ 120,912</b>	<b>\$ 554,837</b>	<b>\$ 1,113,065</b>
<b>LIABILITIES</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ -	\$ -	\$ 44,761	\$ 10,035	\$ 54,796
Payroll deductions and withholdings		58,064			58,064
Interfund payable	29,723	13,462			43,185
Due to student groups	336,067				336,067
<b>Total liabilities</b>	<b>365,790</b>	<b>71,526</b>	<b>44,761</b>	<b>10,035</b>	<b>492,112</b>
<b>NET POSITION</b>					
Reserved for unemployment claims				544,802	544,802
Reserve for flex benefits			76,151		76,151
<b>Total net position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 76,151</b>	<b>\$ 544,802</b>	<b>\$ 620,953</b>

**HADDONFIELD SCHOOL DISTRICT**  
**Fiduciary Fund**  
Combining Statement of Changes in Fiduciary Net Position  
for the Fiscal Year Ended June 30, 2015

	Employee Benefit Trust Funds		Total
	Flexible Benefits Program	Unemployment Compensation Insurance Fund	
<b>REVENUES:</b>			
Local sources:			
Board contributions	\$ 162,488	\$ -	\$ 162,488
Employee contributions	51,904	21,277	73,181
Interest on Investments	144	884	1,028
Total Revenues	<u>214,536</u>	<u>22,161</u>	<u>236,697</u>
<b>EXPENDITURES:</b>			
Current Expense:			
Undistributed Expenditures:			
Unemployment claims		18,752	18,752
Flex benefit payments	284,311		284,311
Total Expenditures	<u>284,311</u>	<u>18,752</u>	<u>303,063</u>
Excess (deficiency) of revenues over (under) expenditures	(69,775)	3,409	(66,366)
Net Position July 1	<u>145,926</u>	<u>541,393</u>	<u>687,319</u>
Net Position June 30	<u>\$ 76,151</u>	<u>\$ 544,802</u>	<u>\$ 620,953</u>

**HADDONFIELD SCHOOL DISTRICT**  
**Student Activity Agency Fund**  
 Schedule of Receipts and Disbursements  
 for the Fiscal Year ended June 30, 2015

	<u>Balance June 30, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Accounts Payable June 30, 2015</u>	<u>Balance June 30, 2015</u>
<b>JUNIOR/SENIOR HIGH SCHOOLS:</b>					
Haddonfield:					
Activities	\$ 303,986	\$ 811,567	\$ 781,289	\$ -	\$ 334,264
Athletic	29,994	109,723	137,914		1,803
	<u>\$ 333,980</u>	<u>\$ 921,290</u>	<u>\$ 919,203</u>	<u>\$ -</u>	<u>\$ 336,067</u>
<b>Total</b>					

**HADDONFIELD SCHOOL DISTRICT**  
**Payroll Agency Fund**  
Schedule of Receipts and Disbursements  
for the Fiscal Year ended June 30, 2015

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 20,203	\$ 24,290,912	\$ 24,239,589	\$ 71,526
Total assets	<u>\$ 20,203</u>	<u>\$ 24,290,912</u>	<u>\$ 24,239,589</u>	<u>\$ 71,526</u>
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	\$ 5,903	\$ 11,548,937	\$ 11,496,776	\$ 58,064
Net payroll		12,741,975	12,741,975	
Interfund payable	<u>14,300</u>		<u>838</u>	<u>13,462</u>
Total liabilities	<u>\$ 20,203</u>	<u>\$ 24,290,912</u>	<u>\$ 24,239,589</u>	<u>\$ 71,526</u>

## Long-Term Debt Schedules

**HADDONFIELD SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
 Statement of Serial Bonds  
 June 30, 2015

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2014	Issued	Retired	Balance June 30, 2015
			Date	Amount					
School Bonds	03/01/2000	\$ 3,761,000				\$ 351,000	\$ -	\$ 351,000	\$ -
Refunding Bonds	8/1/2005	11,025,000	08/01/15	\$ 885,000	4.25%	7,990,000		7,105,000	885,000
Refunding Bonds	2/1/2012	8,000,000	02/15/16	365,000	3.00%	8,000,000		90,000	7,910,000
			02/15/17	375,000	3.00%				
			02/15/18	380,000	4.00%				
			02/15/19	390,000	4.00%				
			02/15/20	415,000	4.00%				
			02/15/21	425,000	4.00%				
			02/15/22	425,000	4.00%				
			02/15/23	1,645,000	4.00%				
			02/15/24	1,710,000	4.00%				
			02/15/25	1,780,000	4.00%				
Balance Forward						\$ 16,341,000	\$ -	\$ 7,546,000	\$ 8,795,000

**HADDONFIELD SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
**Statement of Serial Bonds**  
**June 30, 2015**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2014	Issued	Retired	Balance June 30, 2015
			Date	Amount					
Balance Brought Forward						\$ 16,341,000	\$ -	\$ 7,546,000	\$ 8,795,000
Refunding Bonds	5/29/2015	\$ 6,115,000	08/15/15	\$ 130,000	0.40%		\$ 6,115,000		6,115,000
			02/15/16	915,000	2.00%				
			02/15/17	945,000	3.00%				
			02/15/18	975,000	3.00%				
			02/15/19	1,005,000	3.25%				
			02/15/20	1,045,000	3.50%				
			02/15/21	1,100,000	4.00%				
Total						<u>\$ 16,341,000</u>	<u>\$ 6,115,000</u>	<u>\$ 7,546,000</u>	<u>\$ 14,910,000</u>

**HADDONFIELD SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
**Statement of Obligations Under Capital Leases**  
 June 30, 2015

<u>Series</u>	<u>Interest Rate Payable</u>	<u>Amount of Original Issue</u>	<u>Amount Outstanding 6/30/2014</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding 6/30/2015</u>
2011 Van	8.30%	\$ 21,631	<u>\$ 8,798</u>	<u>\$ -</u>	<u>\$ 4,228</u>	<u>\$ 4,570</u>
			<u>\$ 8,798</u>	<u>\$ -</u>	<u>\$ 4,228</u>	<u>\$ 4,570</u>

**HADDONFIELD SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 1,849,040	\$ -	\$ 1,849,040	\$ 1,849,040	\$ -
Miscellaneous					
Total revenues - local sources	<u>1,849,040</u>		<u>1,849,040</u>	<u>1,849,040</u>	
State sources:					
Debt service aid type II	<u>78,030</u>		<u>78,030</u>	<u>78,030</u>	
Total revenues - state sources	<u>78,030</u>		<u>78,030</u>	<u>78,030</u>	
Total Revenues	<u>1,927,070</u>		<u>1,927,070</u>	<u>1,927,070</u>	
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest	643,923		643,923	643,923	
Redemption of principal	<u>1,286,000</u>		<u>1,286,000</u>	<u>1,286,000</u>	
Total Expenditures	<u>1,929,923</u>		<u>1,929,923</u>	<u>1,929,923</u>	
Excess (Deficiency) of revenues over (under) expenditures	(2,853)		(2,853)	(2,853)	
Other Financing Sources (Uses):					
Operating transfer in				654	\$ 654
Total Other Financing Sources (Uses)				<u>654</u>	<u>654</u>
Net change in fund balance	(2,853)		(2,853)	(2,199)	654
Fund Balances, July 1	<u>3,987</u>		<u>3,987</u>	<u>3,987</u>	
Fund Balances, June 30	<u>\$ 1,134</u>	<u>\$ -</u>	<u>\$ 1,134</u>	<u>\$ 1,788</u>	<u>\$ 654</u>

**Statistical Section**

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

Exhibit J-1

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 7,671,425	\$ 8,220,049	\$ 8,368,520	\$ 8,623,475	\$ 8,892,527	\$ 9,072,224	\$ 9,578,232	\$ 9,804,747	\$ 11,914,814	\$ 11,838,419
Restricted for:										
Capital projects	888,135	278,152	166,480	148,066	224,422	700,923	1,150,903	1,087,116	1,765,034	2,038,646
Debt service	(35,658)	(68,453)	(147,685)	(256,515)	(308,351)	9,162	14,458	13,813	3,987	1,788
Other purposes	114,305	78,779	247,510	531,981	439,470	845,675	1,314,071	1,473,472	1,683,474	1,777,482
Unrestricted	(482,747)	(852,987)	(641,297)	(695,030)	(595,190)	(856,188)	(774,403)	(686,329)	(979,589)	(7,612,744)
Total governmental activities net position	\$ 8,155,460	\$ 7,655,540	\$ 7,993,528	\$ 8,351,977	\$ 8,652,878	\$ 9,771,796	\$ 11,283,261	\$ 11,692,819	\$ 14,387,720	\$ 8,043,591
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 74,617	\$ 55,347	\$ 36,073	\$ 16,792	\$ 6,449	\$ -	\$ -	\$ -	\$ 66,787	\$ 49,012
Unrestricted	52,227	61,259	84,296	85,033	110,867	135,619	125,450	109,723	136,462	143,264
Total business-type activities net position	\$ 126,844	\$ 116,606	\$ 120,369	\$ 101,825	\$ 117,316	\$ 135,619	\$ 125,450	\$ 109,723	\$ 203,249	\$ 192,276
<b>District-wide:</b>										
Net investment in capital assets	\$ 7,746,042	\$ 8,275,396	\$ 8,404,593	\$ 8,640,267	\$ 8,898,976	\$ 9,072,224	\$ 9,578,232	\$ 9,804,747	\$ 11,981,601	\$ 11,887,431
Restricted:										
Capital projects	888,135	278,152	166,480	148,066	224,422	700,923	1,150,903	1,087,116	1,765,034	2,038,646
Debt service	(35,658)	(68,453)	(147,685)	(256,515)	(308,351)	9,162	14,458	13,813	3,987	1,788
Other purposes	114,305	78,779	247,510	531,981	439,470	845,675	1,314,071	1,473,472	1,683,474	1,777,482
Unrestricted	(430,520)	(791,728)	(557,001)	(609,997)	(484,323)	(720,569)	(648,953)	(576,606)	(843,127)	(7,469,480)
Total district net position	\$ 8,282,304	\$ 7,772,146	\$ 8,113,897	\$ 8,453,802	\$ 8,770,194	\$ 9,907,415	\$ 11,408,711	\$ 11,802,542	\$ 14,590,969	\$ 8,235,867

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

Exhibit J-2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses:</b>										
<b>Governmental activities:</b>										
Instruction:										
Regular	\$ 11,400,394	\$ 11,908,959	\$ 11,574,958	\$ 11,801,237	\$ 12,112,451	\$ 12,235,851	\$ 12,272,871	\$ 11,960,804	\$ 12,674,897	\$ 12,867,646
Special education	2,508,648	2,861,165	2,911,940	3,194,446	3,272,380	3,830,367	3,471,486	4,028,326	4,369,579	3,399,199
Other instruction	1,085,274	1,083,371	1,107,339	1,110,379	1,067,012	1,077,473	1,106,102	1,163,390	1,225,945	1,141,735
Support Services:										
Tuition	718,413	857,463	812,659	1,026,695	1,336,186	783,100	1,098,794	1,300,539	1,147,065	1,363,042
Student & instruction related services	2,865,344	2,830,341	3,088,294	3,007,417	3,234,708	3,087,241	3,131,429	3,288,219	3,425,536	4,130,270
School administrative services	1,529,049	1,584,250	1,571,552	1,466,637	1,419,354	1,458,967	1,450,604	1,555,713	1,364,581	1,418,403
General and business administrative services	1,248,872	1,233,266	1,191,444	1,209,743	1,212,177	1,202,954	1,130,714	950,767	1,222,927	1,490,246
Plant operations and maintenance	3,352,113	3,849,168	3,790,970	3,637,968	3,652,703	3,474,005	3,971,747	4,475,539	4,069,678	3,996,237
Pupil transportation	533,426	629,566	503,835	451,054	341,765	306,140	533,737	299,965	468,815	544,335
Unallocated employee benefits	6,106,206	7,127,822	7,692,787	7,202,600	7,230,953	7,053,656	7,661,323	8,287,559	7,541,020	8,337,424
Special schools	174,760	184,246	184,009	210,996	165,035	161,341	108,653	136,209	112,057	141,616
Charter schools	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	1,021,679	1,037,068	1,100,838	1,022,744	989,475	862,025	834,991	741,106	701,745	732,852
Unallocated depreciation	87,617	81,248	76,661	75,040	50,455	58,682	87,835	30,936	62,112	56,507
<b>Total governmental activities expenses</b>	<b>32,631,795</b>	<b>35,267,933</b>	<b>35,607,286</b>	<b>35,416,956</b>	<b>36,084,654</b>	<b>35,591,802</b>	<b>36,860,286</b>	<b>38,219,072</b>	<b>38,365,957</b>	<b>39,619,512</b>
<b>Business-type activities:</b>										
Community Education	85,256	88,670	89,310	77,154	77,217	79,191	81,841	82,722	109,036	91,026
Food service	478,657	461,805	502,895	539,276	545,408	535,136	554,666	559,954	519,642	522,126
<b>Total business-type activities expense</b>	<b>563,913</b>	<b>550,475</b>	<b>592,205</b>	<b>616,430</b>	<b>622,625</b>	<b>614,327</b>	<b>636,507</b>	<b>642,676</b>	<b>628,678</b>	<b>613,152</b>
<b>Total district expenses</b>	<b>\$ 33,195,708</b>	<b>\$ 35,818,408</b>	<b>\$ 36,199,491</b>	<b>\$ 36,033,386</b>	<b>\$ 36,707,279</b>	<b>\$ 36,206,129</b>	<b>\$ 37,496,793</b>	<b>\$ 38,861,748</b>	<b>\$ 39,014,635</b>	<b>\$ 40,232,664</b>
<b>Program Revenues:</b>										
<b>Governmental activities:</b>										
Operating grants and contributions	\$ 2,931,133	\$ 3,912,700	\$ 4,033,993	\$ 3,088,834	\$ 3,181,308	\$ 3,501,365	\$ 3,727,388	\$ 4,314,447	\$ 3,763,353	\$ 4,246,118
<b>Total governmental activities program revenues</b>	<b>2,931,133</b>	<b>3,912,700</b>	<b>4,033,993</b>	<b>3,088,834</b>	<b>3,181,308</b>	<b>3,501,365</b>	<b>3,727,388</b>	<b>4,314,447</b>	<b>3,763,353</b>	<b>4,246,118</b>

(Continued)

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

Exhibit J-2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Business-type activities:</b>										
Charges for services:										
Community Education	\$ 93,493	\$ 95,777	\$ 83,903	\$ 73,921	\$ 79,161	\$ 83,732	\$ 80,861	\$ 94,488	\$ 101,176	\$ 106,360
Food service	381,134	368,734	381,675	467,055	494,153	493,216	490,935	464,331	464,667	458,200
Operating grants and contributions	51,523	51,958	60,065	55,233	64,166	54,378	67,815	66,799	71,159	35,708
Capital grants and contributions										
Total business type activities program revenues	<u>526,150</u>	<u>516,469</u>	<u>525,643</u>	<u>596,209</u>	<u>637,480</u>	<u>631,326</u>	<u>639,611</u>	<u>625,618</u>	<u>637,002</u>	<u>600,268</u>
Total district program revenues	<u>\$ 3,457,283</u>	<u>\$ 4,429,169</u>	<u>\$ 4,559,636</u>	<u>\$ 3,685,043</u>	<u>\$ 3,818,788</u>	<u>\$ 4,132,691</u>	<u>\$ 4,366,999</u>	<u>\$ 4,940,065</u>	<u>\$ 4,400,355</u>	<u>\$ 4,846,386</u>
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (29,700,662)	\$ (31,355,233)	\$ (31,573,293)	\$ (32,328,122)	\$ (32,903,346)	\$ (32,090,437)	\$ (33,132,898)	\$ (33,904,625)	\$ (34,622,604)	\$ (35,373,394)
Business-type activities	(37,763)	(34,006)	(66,562)	(20,221)	14,855	16,999	3,104	(17,058)	8,324	(12,884)
Total district-wide net expense	<u>\$ (29,738,425)</u>	<u>\$ (31,389,239)</u>	<u>\$ (31,639,855)</u>	<u>\$ (32,348,343)</u>	<u>\$ (32,888,491)</u>	<u>\$ (32,073,438)</u>	<u>\$ (33,129,794)</u>	<u>\$ (33,921,683)</u>	<u>\$ (34,614,280)</u>	<u>\$ (35,386,278)</u>
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 25,332,545	\$ 26,645,049	\$ 27,758,553	\$ 28,835,895	\$ 29,287,620	\$ 30,299,125	\$ 30,826,248	\$ 30,785,248	\$ 31,394,796	\$ 32,022,692
Taxes levied for debt service	1,316,597	1,700,213	1,784,974	1,759,514	1,835,309	1,909,311	1,919,491	1,865,209	1,858,955	1,849,040
Unrestricted grants and contributions	1,632,349	1,647,924	1,681,342	1,605,934	1,495,619	359,785	1,024,049	1,033,493	1,081,752	1,132,245
State aid restricted for capital projects	-	-	-	-	-	-	-	-	-	-
Tuition	363,924	324,482	373,907	267,028	215,049	220,243	321,758	492,118	526,947	505,276
Miscellaneous income	326,930	537,645	349,962	218,200	370,650	420,891	552,817	359,417	361,473	281,584
Transfers	-	-	(37,457)	-	-	-	-	-	-	-
Total governmental activities	<u>28,972,345</u>	<u>30,855,313</u>	<u>31,911,281</u>	<u>32,686,571</u>	<u>33,204,247</u>	<u>33,209,355</u>	<u>34,644,363</u>	<u>34,535,485</u>	<u>35,223,923</u>	<u>35,790,837</u>
Business-type activities:										
Investment earnings	3,120	5,961	4,094	987	543	1,086	1,300	1,331	649	369
Miscellaneous income	2,072	17,807	28,774	690	93	218	3,245			1,542
Cancellation of accounts receivable							(17,818)			
Transfers			37,457							
Total business-type activities	<u>5,192</u>	<u>23,768</u>	<u>70,325</u>	<u>1,677</u>	<u>636</u>	<u>1,304</u>	<u>(13,273)</u>	<u>1,331</u>	<u>649</u>	<u>1,911</u>
Total district-wide	<u>\$ 28,977,537</u>	<u>\$ 30,879,081</u>	<u>\$ 31,981,606</u>	<u>\$ 32,688,248</u>	<u>\$ 33,204,883</u>	<u>\$ 33,210,659</u>	<u>\$ 34,631,090</u>	<u>\$ 34,536,816</u>	<u>\$ 35,224,572</u>	<u>\$ 35,792,748</u>
<b>Change in Net Position:</b>										
Governmental activities	\$ (728,317)	\$ (499,920)	\$ 337,988	\$ 358,449	\$ 300,901	\$ 1,118,918	\$ 1,511,465	\$ 630,860	\$ 601,319	\$ 417,443
Business-type activities	(32,571)	(10,238)	3,763	(18,544)	15,491	18,303	(10,169)	(15,727)	8,973	(10,973)
Total district-wide	<u>\$ (760,888)</u>	<u>\$ (510,158)</u>	<u>\$ 341,751</u>	<u>\$ 339,905</u>	<u>\$ 316,392</u>	<u>\$ 1,137,221</u>	<u>\$ 1,501,296</u>	<u>\$ 615,133</u>	<u>\$ 610,292</u>	<u>\$ 406,470</u>

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

Exhibit J-3

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Restricted for:										
Capital reserve	\$ 112	\$ 116	\$ 118	\$ 119	\$ 120	\$ 200,121	\$ 900,120	\$ 766,951	\$ 1,444,869	\$ 1,718,481
Maintenance reserve								200,000	200,000	200,000
Excess surplus	114,305	2,544	138,360	334,980	305,829	789,114	634,165	639,307	639,455	515,396
Excess surplus - designated for next year							679,906	634,165	639,307	639,455
Assigned - Reserve for encumbrances									204,712	422,631
Unassigned	497,065	488,420	705,063	766,590	693,792	669,318	635,917	593,100	596,116	621,022
Total general fund	<u>\$ 611,482</u>	<u>\$ 491,080</u>	<u>\$ 843,541</u>	<u>\$ 1,101,689</u>	<u>\$ 999,741</u>	<u>\$ 1,658,553</u>	<u>\$ 2,850,108</u>	<u>\$ 2,833,523</u>	<u>\$ 3,724,459</u>	<u>\$ 4,116,985</u>
All Other Governmental Funds										
Reserved:										
Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund										
Capital projects fund	888,023	278,036	166,362	147,947	224,302	500,802	250,783	320,165	320,165	320,165
Debt service fund	328,197	280,204	184,028	62,215	18,430	9,162	14,458	13,813	3,987	1,788
Total all other governmental funds	<u>\$ 1,216,220</u>	<u>\$ 558,240</u>	<u>\$ 350,390</u>	<u>\$ 210,162</u>	<u>\$ 242,732</u>	<u>\$ 509,964</u>	<u>\$ 265,241</u>	<u>\$ 333,978</u>	<u>\$ 324,152</u>	<u>\$ 321,953</u>

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

**Exhibit J-4**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Tax levy	\$ 26,649,142	\$ 28,345,262	\$ 29,543,527	\$ 30,595,409	\$ 31,122,929	\$ 32,208,436	\$ 32,745,739	\$ 32,650,457	\$ 33,253,751	\$ 33,871,732
Tuition charges	237,104	362,478	373,907	267,028	215,049	220,243	321,758	492,118	526,947	505,276
Miscellaneous	453,750	499,649	349,962	218,200	370,650	420,891	552,817	359,417	361,473	281,584
State sources	4,037,442	5,021,206	5,145,617	4,160,373	4,067,485	2,980,163	4,047,116	4,743,016	4,291,989	4,830,943
Federal sources	526,040	539,418	569,718	534,395	609,442	991,587	704,321	604,924	553,116	547,420
<b>Total revenue</b>	<b>31,903,478</b>	<b>34,768,013</b>	<b>35,982,731</b>	<b>35,775,405</b>	<b>36,385,555</b>	<b>36,821,320</b>	<b>38,371,751</b>	<b>38,849,932</b>	<b>38,987,276</b>	<b>40,036,955</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	10,683,035	11,019,941	11,070,891	11,247,319	11,704,775	11,605,322	11,670,436	11,599,918	11,510,189	11,988,396
Special education instruction	2,508,648	2,861,165	2,911,940	3,194,446	3,272,380	3,830,367	3,471,486	4,028,326	4,369,579	3,399,199
Other instruction	1,085,274	1,083,371	1,107,339	1,110,379	1,067,012	1,077,473	1,106,102	1,163,390	1,225,945	1,141,735
<b>Support Services:</b>										
Tuition	718,413	857,463	812,659	1,026,695	1,336,186	783,100	1,098,794	1,300,539	1,147,065	1,363,042
Student & instruction related services	2,865,344	2,830,341	3,088,294	3,007,417	3,159,054	3,087,241	3,131,429	3,288,219	3,425,536	4,130,270
School administrative services	1,425,689	1,492,869	1,490,271	1,386,430	1,419,354	1,386,859	1,364,459	1,555,713	1,364,581	1,418,403
General and business admin. services	1,248,872	1,233,266	1,191,444	1,209,743	1,212,177	1,202,954	1,130,714	851,565	1,098,703	1,377,232
Plant operations and maintenance	3,197,073	3,331,773	3,612,737	3,532,758	3,515,414	3,307,718	3,264,278	3,140,940	3,334,402	3,190,543
Pupil transportation	533,426	629,566	503,835	451,054	341,765	306,140	533,737	299,965	468,815	544,335
Employee Benefits	6,106,206	7,127,822	7,692,787	7,202,600	7,230,953	7,053,656	7,661,323	8,287,559	7,541,020	8,385,762
Special Schools	174,760	184,246	184,009	210,996	165,035	161,341	108,653	136,209	112,057	141,616
Capital outlay	10,029,734	953,252	18,102	86,921	72,045	109,119	875,710	1,194,331	557,665	636,172
<b>Debt service:</b>										
Principal	290,000	820,000	905,000	955,000	1,000,000	1,115,000	1,150,000	1,210,000	1,250,000	1,286,000
Interest and other charges	1,107,875	1,142,266	1,117,783	1,035,727	981,352	888,986	942,747	741,106	700,609	643,923
	137,123	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>42,111,472</b>	<b>35,567,341</b>	<b>35,707,091</b>	<b>35,657,485</b>	<b>36,477,502</b>	<b>35,895,276</b>	<b>37,509,868</b>	<b>38,797,780</b>	<b>38,106,166</b>	<b>39,646,628</b>
Excess (Deficiency) of revenues over (under) expenditures	(10,207,994)	(799,328)	275,640	117,920	(91,947)	926,044	861,883	52,152	881,110	390,327
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing	214,976	20,946	-	-	22,569	-	8,966,507	-	-	-
Payment to bond payment agent	-	-	-	-	-	-	(8,881,558)	-	-	-
Cancellation of accounts receivable	(246)	-	(93,572)	-	-	-	-	-	-	-
Transfers in	-	118,315	45,382	11,603	5,664	169,285	188,004	87,602	1,134	654
Transfers out	-	(118,315)	(82,839)	(11,603)	(5,664)	(169,285)	(188,004)	(87,602)	(1,134)	(654)
<b>Total other financing sources (uses)</b>	<b>214,730</b>	<b>20,946</b>	<b>(131,029)</b>	<b>-</b>	<b>22,569</b>	<b>-</b>	<b>84,949</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (9,993,264)</b>	<b>\$ (778,382)</b>	<b>\$ 144,611</b>	<b>\$ 117,920</b>	<b>\$ (69,378)</b>	<b>\$ 926,044</b>	<b>\$ 946,832</b>	<b>\$ 52,152</b>	<b>\$ 881,110</b>	<b>\$ 390,327</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>4.36%</b>	<b>5.67%</b>	<b>5.67%</b>	<b>5.60%</b>	<b>5.44%</b>	<b>5.60%</b>	<b>5.71%</b>	<b>5.19%</b>	<b>5.19%</b>	<b>4.95%</b>

**Source: District records**

Note: Noncapital expenditures are total expenditures less capital outlay.

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

Exhibit J-5

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Transportation	Preschool Program Fees	Prior Year Refunds	Rentals	Summer Enrichment	Reading Recovery Program Fees	Student Activity Fee	Miscellaneous	Total
2006	\$ 157,159	\$ 237,104	\$ -	\$ -	\$ 38,828	\$ 9,050	\$ -	\$ -	\$ -	\$ 28,542	\$ 470,683
2007	206,534	362,478		45,455	68,733	18,654				42,325	744,179
2008	140,777	323,555		50,352	104,481	22,090				37,232	678,487
2009	59,814	267,028	16,893	56,525	41,835	9,720	9,815			11,995	473,625
2010	15,398	215,049		66,557	77,855	25,720	34,830	67,687		584	503,680
2011	24,268	220,243		65,416	250,451	27,895	21,640	5,250		22,585	637,748
2012	55,987	321,758		77,198	299,168	66,411	34,490	-		7,729	862,741
2013	68,505	367,920		84,478	125,168	39,715	39,720		60,000	63,177	848,683
2014	28,210	382,845		95,107	188,705	52,217	48,995		56,950	34,257	887,286
2015	16,968	414,863		90,413	70,094	21,868	61,606		49,600	60,794	786,206
	<u>\$ 773,620</u>	<u>\$ 3,112,843</u>	<u>\$ 16,893</u>	<u>\$ 631,501</u>	<u>\$ 1,265,318</u>	<u>\$ 293,340</u>	<u>\$ 251,096</u>	<u>\$ 72,937</u>	<u>\$ 166,550</u>	<u>\$ 309,220</u>	<u>\$ 6,893,318</u>

Source: District records

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

EXHIBIT J-5

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2006	\$ 3,451,900	\$ 912,781,000	\$	\$	\$ 104,609,600	\$	\$ 6,225,800	\$1,027,068,300	\$ 3,349,075	\$1,030,417,375	\$ 151,676,500	\$ 2.751	\$ 1,773,385,690
2007	2,849,400	920,345,300			106,420,600		5,949,600	1,035,564,900	3,023,543	1,038,588,443	151,571,800	2.844	2,003,446,434
2008	R 12,511,200	2,007,692,800			220,959,500		14,107,700	2,255,271,200	6,620,595	2,261,891,795	256,639,000	1.352	2,185,536,682
2009	12,449,200	2,011,863,200			218,652,200		14,012,200	2,256,976,800	7,235,354	2,264,212,154	257,249,300	1.375	2,221,502,914
2010	9,781,500	2,020,185,900			217,053,900		14,007,200	2,261,028,500	8,323,964	2,269,352,464	257,442,700	1.420	2,240,311,617
2011	9,265,400	2,016,563,800			214,971,600		13,990,900	2,254,791,700	7,550,383	2,262,342,083	255,691,100	1.447	2,281,045,590
2012	7,912,800	2,012,114,200			214,168,800		13,735,900	2,247,931,700	7,274,970	2,255,206,670	248,734,400	1.448	2,240,113,023
2013	7,566,000	1,998,319,100			210,260,800		13,735,900	2,229,881,800	5,899,042	2,235,780,842	249,037,500	1.488	2,186,783,204
2014	7,137,600	1,995,842,100			207,793,100		13,735,900	2,224,508,700	5,350,221	2,229,858,921	249,351,100	1.519	2,128,836,807
2015	6,041,600	1,998,716,500			203,780,200		14,000,500	2,222,538,800	5,072,498	2,227,611,298	250,702,200	1.549	2,155,798,632

Source: Municipal Tax Assessor

Note:

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

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

c Information not available.

R Revaluation

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

Exhibit J-7

Fiscal Year Ended June 30,	Haddonfield School District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Haddonfield	Municipal Open Space	Municipal Library	Camden County	
2006	\$ 2.631	\$ 0.120	\$ 2.751	\$ 0.709	\$ -	\$ -	\$ 1.302	\$ 4.762
2007	2.679	0.165	2.844	0.767	0.010		1.271	4.892
2008	1.273	0.079	1.352	0.377	0.005		0.576	2.310
2009	1.300	0.075	1.375	0.391	0.005		0.567	2.338
2010	1.335	0.085	1.420	0.423	0.004		0.604	2.451
2011	1.362	0.085	1.447	0.408	0.005	0.033	0.677	2.570
2012	1.363	0.085	1.448	0.435	0.006	0.033	0.720	2.642
2013	1.405	0.083	1.488	0.454	0.005	0.032	0.768	2.747
2014	1.436	0.083	1.519	0.455	0.005	0.031	0.769	2.779
2015	1.466	0.083	1.549	0.454	0.005	0.032	0.802	2.842

Source: Municipal Tax Collector

**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 spending growth adjustments.

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

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

**Exhibit J-8**

Taxpayer	2015	
	Taxable Assessed Value	% of Total District Net Assessed Value
One Centennial Square	\$ 9,550,000	0.43%
Verizon	8,861,421	0.40%
95 Grove Street Partnership	7,989,400	0.36%
Gerald & Erica Levin	5,540,000	0.25%
Tommar LLC	4,150,000	0.19%
110 Kings Highway East	4,124,900	0.19%
807 Haddon Properties	3,530,000	0.16%
Laurie Industries (ACME Markets)	3,220,000	0.14%
Thirty-Five Kings Highway East	3,000,000	0.13%
Thirty Washington LLC	3,000,000	0.13%
<b>Total</b>	<b>\$ 52,965,721</b>	<b>2.38%</b>

Taxpayer	2006	
	Taxable Assessed Value	% of Total District Net Assessed Value
Verizon	\$ 6,366,075	0.62%
One Centennial Square	4,950,000	0.48%
95 Grove Street Partnership	3,832,700	0.37%
Gerald & Erica Levin	3,268,700	0.32%
G. Elzy	2,664,300	0.26%
Park Lane Properties	2,446,000	0.24%
ACME	2,350,000	0.23%
Tommar LLC	1,950,000	0.19%
807 Haddon Properties	1,732,500	0.17%
35 Kings Highway East	1,525,000	0.15%
<b>Total</b>	<b>\$ 31,085,275</b>	<b>3.03%</b>

**Source:** Municipal Tax Assessor

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

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 26,649,142	\$ 26,649,142	100.00%	-
2007	28,345,262	28,345,262	100.00%	-
2008	29,543,527	29,543,527	100.00%	-
2009	30,595,409	30,595,409	100.00%	-
2010	31,122,929	31,122,929	100.00%	-
2011	32,208,436	32,208,436	100.00%	-
2012	32,745,739	32,745,739	100.00%	-
2013	32,650,457	32,650,457	100.00%	-
2014	33,253,751	33,253,751	100.00%	-
2015	33,871,732	33,871,732	100.00%	-

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

- a School taxes are collected by the Municipal Tax Collector. Under New Jersey State 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.

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

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income <sup>a</sup>	Per Capita <sup>b</sup>
	General Obligation Bonds	Unfunded Pension Liability	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2006	\$ 24,976,000	\$ -	\$ 135,906	\$ -	\$ -	\$ 25,111,906	5.54%	2,183
2007	24,156,000	-	103,113	-	-	24,259,113	5.18%	2,112
2008	23,251,000	-	64,833	-	-	23,315,833	4.84%	2,036
2009	22,296,000	-	24,893	-	-	22,320,893	4.64%	1,950
2010	21,296,000	-	21,894	-	-	21,317,894	4.36%	1,840
2011	20,181,000	-	13,515	-	-	20,194,515	3.95%	1,746
2012	18,801,000	-	26,058	-	-	18,827,058	3.62%	1,631
2013	17,591,000	-	17,523	-	-	17,608,523	3.36%	1,533
2014	16,341,000	-	8,709	-	-	16,349,709	c	1,433
2015	14,910,000	-	4,570	-	-	14,914,570	c	c

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

- a Based on Per Capita Income for Camden County
- b Based on School District Population as of July 1,
- c Not available

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

**Exhibit J-11**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2006	\$ 24,976,000	\$ -	\$ 24,976,000	2.42%	2,171
2007	24,156,000	-	24,156,000	2.33%	2,103
2008	23,251,000	-	23,251,000	1.03%	2,030
2009	22,296,000	-	22,296,000	0.98%	1,948
2010	21,296,000	-	21,296,000	0.94%	1,838
2011	20,181,000	-	20,181,000	0.89%	1,745
2012	18,801,000	-	18,801,000	0.83%	1,629
2013	17,591,000	-	17,591,000	0.79%	1,531
2014	16,341,000	-	16,341,000	0.73%	1,432
2015	14,910,000	-	14,910,000	0.67%	<b>c</b>

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

- a** See Exhibit J-6 for property tax data.
- b** Population data can be found in Exhibit J-14.
- c** Not available.

Haddonfield School District  
 Ratios of Overlapping Governmental Activities Debt  
 As of December 31, 2014

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Haddonfield	\$ 17,852,803	100.000%	\$ 17,852,803
Camden County General Obligation Debt	246,860,397	5.712%	14,100,666
			31,953,469
Subtotal, overlapping debt			31,953,469
Haddonfield School District Direct Debt			15,496,000
Total direct and overlapping debt			\$ 47,449,469

**Sources:** Assessed value data used to estimate applicable percentages provided by the Camden County Board of Taxation.

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

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

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

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2015

	Equalized valuation basis	
	2012	\$ 2,194,388,618
	2013	2,124,708,718
	2014	2,148,868,528
	<b>[A]</b>	<u>\$ 6,467,965,864</u>
Average equalized valuation of taxable property	<b>[A/3]</b>	\$ 2,155,988,621
Debt limit (4% of average equalized valuation)	<b>[B]</b>	86,239,545 <sup>a</sup>
Net bonded school debt	<b>[C]</b>	<u>14,910,000</u>
Legal debt margin	<b>[B-C]</b>	<u>\$ 71,329,545</u>

Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	\$ 62,556,697	\$ 70,343,859	\$ 78,196,006	\$ 84,351,635	\$ 87,595,927	\$ 89,423,817	\$ 89,788,145	\$ 89,401,281	\$ 87,392,554	\$ 86,239,545
Total net debt applicable to limit	<u>24,976,000</u>	<u>23,896,000</u>	<u>23,251,000</u>	<u>22,296,000</u>	<u>21,296,000</u>	<u>20,181,000</u>	<u>18,801,000</u>	<u>17,591,000</u>	<u>16,341,000</u>	<u>14,910,000</u>
Legal debt margin	<u>\$ 37,580,697</u>	<u>\$ 46,447,859</u>	<u>\$ 54,945,006</u>	<u>\$ 62,055,635</u>	<u>\$ 66,299,927</u>	<u>\$ 69,242,817</u>	<u>\$ 70,987,145</u>	<u>\$ 71,810,281</u>	<u>\$ 71,051,554</u>	<u>\$ 71,329,545</u>
Total net debt applicable to the limit as a percentage of debt limit	39.93%	33.97%	29.73%	26.43%	24.31%	22.57%	20.94%	19.68%	18.70%	17.29%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey,  
 Department of Treasury, Division of Taxation

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

Haddonfield School District  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years

Exhibit J-14

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2006	11,505	\$ 452,997,870	\$ 39,374	2.9%
2007	11,488	468,687,424	40,798	2.7%
2008	11,454	481,709,424	42,056	3.6%
2009	11,448	481,228,128	42,036	5.7%
2010	11,584	489,192,320	42,230	6.0%
2011	11,568	511,641,072	44,229	5.9%
2012	11,541	520,072,083	45,063	5.9%
2013	11,490	523,300,560	45,544	4.1%
2014	11,411	e	e	3.8%
2015	e	e	e	e

**Source:**

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income for Haddonfield Borough.
- c Per Capita for Camden County.
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- e Not available.

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

Exhibit J-16

<b>Function/Program</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Instruction</b>										
Regular	194	169	173	188	172	172	172	170	170	173
Special education	26	28	40	40	34	34	34	43	47	47
Other special education					55	55	55	58	58	58
Vocational										
Other instruction					24	24	26	25	13	13
<b>Support Services:</b>										
Student & instruction related services	9	9	9	9	40	40	42	12	14	14
School administrative services	15	15	15	15	19	19	16	18	21	21
General and business administrative services	6	6	6	6	6	6	6	6	10	10
Plant operations and maintenance	9	9	9	9	12	12	13	8	8	8
Pupil transportation	7	7	5	4	8	8	8	12	12	12
Business and other support services	3	3	3	3						
<b>Special Schools</b>										
Food Service										
Child Care										
<b>Total</b>	<b>269</b>	<b>246</b>	<b>260</b>	<b>274</b>	<b>370</b>	<b>370</b>	<b>372</b>	<b>352</b>	<b>353</b>	<b>356</b>

Source: District Personnel Records

Haddonfield School District  
Operating Statistics,  
Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2006	2,379	\$ 30,546,740	\$ 12,840.16	6.42%	220	1:23	1:17	1:17	2,394	2,278	1.95%	95.15%
2007	2,432	32,651,823	13,425.91	5.69%	197	1:23	1:17	1:17	2,350	2,250	-1.84%	95.74%
2008	2,388	33,666,206	14,098.08	5.01%	213	1:23	1:17	1:17	2,385	2,287	1.49%	95.89%
2009	2,412	33,620,970	13,939.04	-1.13%	228	1:20	1:21	1:20	2,410	2,315	1.04%	96.06%
2010	2,449	34,424,105	14,056.39	0.84%	208	1:20	1:21	1:20	2,451	2,352	1.70%	95.96%
2011	2,454	33,782,171	13,766.17	-2.06%	208	1:20	1:21	1:20	2,465	2,371	0.57%	96.19%
2012	2,503	34,541,411	13,800.00	0.24%	206	1:20	1:21	1:20	2,503	2,416	1.54%	96.52%
2013	2,547	35,652,343	13,997.78	1.43%	213	1:20	1:21	1:20	2,547	2,460	1.76%	96.58%
2014	2,560	35,597,906	13,905.43	-0.66%	217	1:20	1:21	1:20	2,573	2,481	1.02%	96.42%
2015	2,602	37,080,521	14,250.78	2.48%	220	1:20	1:21	1:20	2,609	2,512	1.40%	96.28%

Sources: District records

Note: Enrollment based on annual October district count.

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

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

Exhibit J-18

<u>District Building</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Elizabeth Haddon Elementary School (1965)										
Square Feet	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	401	398	380	379	360	348	327	336	361	343
JF Tatem Elementary School (1923)										
Square Feet	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000
Capacity (students)	490	490	490	490	490	490	490	490	490	490
Enrollment	406	409	405	426	447	481	511	515	440	458
Central Elementary School (1947)										
Square Feet	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Capacity (students)	350	350	350	350	350	350	350	350	350	350
Enrollment	272	268	277	286	314	316	350	363	396	404
Haddonfield Middle School (1965)										
Square Feet	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Capacity (students)	700	700	700	700	700	700	700	700	700	700
Enrollment	562	556	531	543	555	555	562	573	596	621
Memorial High School (1926)										
Square Feet	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000
Capacity (students)	975	975	975	975	975	975	975	975	975	975
Enrollment	777	775	792	776	775	765	753	760	780	783

Number of Schools at June 30, 2015  
 Elementary = 3  
 Middle School = 1  
 Senior High School = 1

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of any additions. Enrollment is based on the annual October district count.

Haddonfield School District  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years

Exhibit J-19

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

	Project # (s)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
* School Facilities												
High School	SP#201155	\$ 272,475	\$ 294,413	\$ 305,809	\$ 313,699	\$ 494,029	\$ 459,096	\$ 445,380	\$ 422,494	\$ 442,142	\$ 344,092	\$ 3,793,629
Middle School	SP#201156	210,951	245,345	254,842	261,417	236,275	205,128	213,008	202,063	211,459	164,566	2,205,054
J. Fithian Tatem Elementary School	SP#201154	131,842	147,206	152,904	156,849	118,137	107,448	106,504	101,031	105,730	82,283	1,209,934
Elizabeth Haddon Elementary School	SP#201157	131,842	147,206	152,904	156,849	118,137	107,448	106,504	101,031	105,730	82,283	1,209,934
Central Elementary School	SP#201158	131,842	147,206	152,904	156,849	107,399	97,680	96,822	91,847	96,118	74,803	1,153,470
Total School Facilities		<u>\$ 878,952</u>	<u>\$ 981,376</u>	<u>\$ 1,019,363</u>	<u>\$ 1,045,663</u>	<u>\$ 1,073,977</u>	<u>\$ 976,800</u>	<u>\$ 968,218</u>	<u>\$ 918,466</u>	<u>\$ 961,179</u>	<u>\$ 748,027</u>	<u>\$ 9,572,021</u>

\* 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

**Haddonfield School District  
Insurance Schedule  
June 30, 2015**

**Exhibit J-20**

	<u>Coverage</u>	<u>Self Insured Retention</u>	<u>Deductible</u>
School Package Policy (1)			
Building and Contents (All Locations)			
Limits of liability per occurrence	\$ 150,000,000	\$ 250,000	\$ 500
General and Automobile Liability	15,000,000	250,000	
Workers' Compensation	Statutory	250,000	
Crime Coverage - Blanket Surety Coverage	500,000	250,000	500
School Board Legal Liability	15,000,000	100,000	
Pollution Legal Liability	3,000,000		25,000
Cyber Liability	1,000,000		25,000
Boiler and Machinery	125,000,000		1,000
Student Accident (2)	1,000,000		
Catastrophic Student Accident (2)	6,000,000		
Surety Bonds (3)			
Treasurer	300,000		
Board Secretary	100,000		

- (1) Burlington County Insurance Pool (JIF)
- (2) National Union Fire Insurance Company
- (3) Selective Insurance Company

Source: District records

**Single Audit Section**

**INVERSO & STEWART, LLC**  
Certified Public Accountants

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

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

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
AS REQUIRED BY OMB CIRCULAR A-133  
AND STATE OF NEW JERSEY OMB CIRCULAR 04-04 AND/OR 15-08**

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on Compliance for Each Major Federal and State Program**

I have audited Haddonfield School District (School District), in the County of Camden, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2015. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

My responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and State of New Jersey OMB's Circular 04-04 and/or 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and State of New Jersey Circular OMB's 04-04 and/or 15-08 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

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

### **Opinion on Each Major Federal and State Program**

In my opinion, the Haddonfield School District, in the County of Camden, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2015.

### **Report on Internal Control Over Compliance**

Management of the Haddonfield School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state programs and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey OMB's Circular 04-04 and/or 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Haddonfield's School District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the New Jersey OMB's Circular 04-04 and/or 15-08. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 and Expenditures of State Financial Assistance Required by New Jersey OMB 04-04 and/or 15-08**

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Haddonfield School District, in the County of Camden, State of New Jersey as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. I have issued my report thereon dated November 27, 2015, which contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04 and/or 15-08 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditure of federal awards and the schedules of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant

Marlton, New Jersey  
November 27, 2015

HADDONFIELD SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
for the Fiscal Year ended June 30, 2015

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period	June 30, 2014			Carryover (Waikover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	June 30, 2015		
					Accounts Receivable	Deferred Revenue	Due to Grantor at						Accounts Receivable	Deferred Revenue	Due to Grantor at
<b>U.S. Department of Education</b>															
<u>Special Revenue Fund:</u>															
<u>No Child Left Behind(N.C.L.B.)</u>															
Title II - Part A	84.367	NCLB-1900-15	78,178	7/1/14 - 6/30/15	\$ -	\$ -	\$ -	\$ -	\$ 24,286	\$ (35,608)	\$ -	\$ -	\$ (11,322)	\$ -	\$ -
<u>Individuals With Disabilities Act (I.D.E.I.A.)</u>															
Part B - Basic	84.027	IDEA-1900-15	547,836	7/1/14 - 6/30/15						(483,166)			(483,166)		
Part B - Basic	84.027	IDEA-1900-14	507,661	7/1/13 - 6/30/14	(512,833)				503,268				(9,565)		
Part B - Preschool	84.173	IDEA-1900-15	38,440	7/1/14 - 6/30/15						(28,646)			(28,646)		
Part B - Preschool	84.173	IDEA-1900-14	31,963	7/1/13 - 6/30/14	(18,283)				18,282		1				
Total Special Revenue Fund					(531,116)	--	--	--	545,836	(547,420)	1	--	(532,699)	--	--
<b>U.S. Department of Agriculture</b>															
<u>Enterprise Fund:</u>															
Food Distribution Program	10.565	N/A	17,809	9/1/14 - 6/30/15					17,809	(17,809)					
National School Lunch Program	10.555	N/A	16,328	9/1/14 - 6/30/15					13,011	(16,328)			(3,317)		
National School Lunch Program	10.555	N/A	17,998	9/1/13 - 6/30/14	(3,368)				3,368						
Total Enterprise Fund					(3,368)	--	--	--	34,188	(34,137)	--	--	(3,317)	--	--
Total Federal Awards					\$ (534,484)	--	--	--	\$ 580,024	\$ (581,557)	\$ 1	--	\$ (536,016)	--	--

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

HADDONFIELD SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2015

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2014			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	June 30, 2015		
				Accounts Receivable	Deferred Revenue	Due to Grantor at						(Accounts Receivable)	Deferred Revenue	Due to Grantor at
<b>State Department of Education</b>														
<b>General Fund:</b>														
Extraordinary Aid	15-100-034-5120-473	\$ 200,817	7/1/14 - 6/30/15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (200,817)	\$ -	\$ -	\$ (200,817)	\$ -	\$ -
Extraordinary Aid	14-100-034-5120-473	196,870	7/1/13 - 6/30/14	(196,870)				196,870						
Special Education Categorical Aid	15-495-034-5120-089	803,671	7/1/14 - 6/30/15					760,415	(803,671)			(43,256)		
Special Education Categorical Aid	14-495-034-5120-089	803,671	7/1/13 - 6/30/14	(48,800)				48,800						
Security Aid	15-495-034-5120-084	36,070	7/1/14 - 6/30/15					34,129	(36,070)			(1,941)		
Security Aid	14-495-034-5120-084	36,070	7/1/13 - 6/30/14	(2,190)				2,190						
Transportation Aid	15-495-034-5120-014	36,655	7/1/14 - 6/30/15					34,682	(36,655)			(1,973)		
Transportation Aid	14-495-034-5120-014	36,655	7/1/13 - 6/30/14	(2,226)				2,226						
Adjustment Aid	15-495-034-5120-085	252	7/1/14 - 6/30/15					238	(252)			(14)		
Adjustment Aid	14-495-034-5120-085	252	7/1/13 - 6/30/14	(15)				15						
Under Adequacy Aid	15-495-034-5120-096	1,828	7/1/14 - 6/30/15					1,730	(1,828)			(98)		
Under Adequacy Aid	14-495-034-5120-096	1,828	7/1/13 - 6/30/14	(111)				111						
PARCC Readiness Aid	15-495-034-5120-098	24,780	7/1/14 - 6/30/15					23,446	(24,780)			(1,334)		
Per Pupil Growth Aid	15-495-034-5120-097	24,780	7/1/14 - 6/30/15					23,446	(24,780)			(1,334)		
On Behalf TPAF Post Retirement Medical	15-495-034-5094-006	1,335,377	7/1/14 - 6/30/15					1,335,377	(1,335,377)					
On Behalf TPAF Pension	15-495-034-5094-001	841,182	7/1/14 - 6/30/15					841,182	(841,182)					
Reimbursed TPAF Social Security Contributions	14-495-034-5094-003	1,140,696	7/1/14 - 6/30/15					1,087,977	(1,140,696)			(52,719)		
<b>Total General Fund</b>				<b>(250,212)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4,392,834</b>	<b>(4,446,108)</b>	<b>—</b>	<b>—</b>	<b>(303,486)</b>	<b>—</b>	<b>—</b>
<b>Special Revenue Fund</b>														
<b>N.J. Nonpublic Aid:</b>														
Textbook Aid	15-100-034-5120-064	25,679	7/1/14 - 6/30/15					25,679	(23,002)					2,677
Textbook Aid	14-100-034-5120-064	22,434	7/1/13 - 6/30/14			3,871					(3,871)			
Nursing Aid	15-100-034-5120-070	41,260	7/1/14 - 6/30/15					41,260	(40,847)					413
Nursing Aid	14-100-034-5120-070	31,729	7/1/13 - 6/30/14			317					(317)			
Technology Aid	15-100-034-5120-373	13,792	7/1/14 - 6/30/15					13,792	(13,791)					1
Technology Aid	14-100-034-5120-373	8,180	7/1/13 - 6/30/14			14					(14)			
<b>Auxiliary Services:</b>														
Compensatory Education	15-100-034-5120-067	152,645	7/1/14 - 6/30/15					152,645	(100,957)					51,688
Compensatory Education	14-100-034-5120-067	114,701	7/1/13 - 6/30/14			34,323					(34,323)			
Transportation	15-100-034-5120-068	11,475	7/1/14 - 6/30/15					11,475	(3,958)					7,517
Transportation	14-100-034-5120-068	11,438	7/1/13 - 6/30/14			7,522					(7,522)			
Home Instruction	15-100-034-5120-067	2,869	7/1/14 - 6/30/15						(2,867)			(2,867)		
Home Instruction	14-100-034-5120-067	4,867	7/1/13 - 6/30/14	(4,867)				4,867						
<b>Handicapped Services:</b>														
Examination & Classification	15-100-034-5120-066	49,347	7/1/14 - 6/30/15					49,347	(41,067)					8,280
Examination & Classification	14-100-034-5120-066	53,178	7/1/13 - 6/30/14			2,548					(2,548)			
Corrective Speech	15-100-034-5120-066	54,777	7/1/14 - 6/30/15					54,777	(42,319)					12,458
Corrective Speech	14-100-034-5120-066	52,340	7/1/13 - 6/30/14			15,389					(15,389)			
Supplemental Instruction	15-100-034-5120-066	42,532	7/1/14 - 6/30/15					42,532	(34,605)					7,927
Supplemental Instruction	14-100-034-5120-066	30,113	7/1/13 - 6/30/14			2,014					(2,014)			
<b>Total Special Revenue Fund</b>				<b>(4,867)</b>	<b>-</b>	<b>65,998</b>	<b>—</b>	<b>396,374</b>	<b>(303,413)</b>	<b>-</b>	<b>(65,998)</b>	<b>(2,867)</b>	<b>-</b>	<b>90,961</b>

(Continued)

HADDONFIELD SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2015

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2014			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	June 30, 2015		
				Accounts Receivable	Deferred Revenue	Due to Grantor at						(Accounts Receivable)	Deferred Revenue	Due to Grantor at
<b>New Jersey Economic Development Authority</b>														
<u>Capital Projects Fund</u>														
Memorial High School	SP#1900-050-01-0155	\$ 242,732	5/01/02 - 6/30/05	\$ -	\$ -	\$ 14,868	\$ -	\$ -	\$ -	\$ -	\$ (14,868)	\$ -	\$ -	\$ -
Central Elementary School	SP#1900-060-10-1005	56,500	7/01/12 - 6/30/13	(56,500)								(56,500)		
Memorial High School	SP#1900-050-10-1004	110,800	3/21/11 - 6/30/12	(110,600)								(110,600)		
Eizabeth Haddon School	SP#1900-080-10-1007	84,580	7/01/11 - 6/30/12	(84,580)								(84,580)		
<b>Total Capital Projects Fund</b>				<b>(251,680)</b>		<b>14,868</b>					<b>(14,868)</b>	<b>(251,680)</b>		
<u>Debt Service Fund</u>														
Debt Service Aid Type II	15-495-034-5120-125	78,030	7/1/14 - 6/30/15	-				78,030	(78,030)					
<b>State Department of Agriculture</b>														
<u>Enterprise Fund:</u>														
State School Lunch Program	15-100-010-3350-023	1,571	9/1/14 - 6/30/15					1,255	(1,571)			(316)		
State School Lunch Program	14-100-010-3350-023	1,916	9/1/13 - 6/30/14	(398)				398						
<b>Total Enterprise Fund</b>				<b>(398)</b>				<b>1,653</b>	<b>(1,571)</b>			<b>(316)</b>		
<b>Total State Financial Assistance</b>				<b>\$ (507,157)</b>	<b>\$ -</b>	<b>\$ 80,866</b>	<b>-</b>	<b>\$ 4,868,891</b>	<b>\$ (4,829,122)</b>	<b>\$ -</b>	<b>\$ (80,866)</b>	<b>\$ (558,349)</b>	<b>\$ -</b>	<b>\$ 90,961</b>

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

**Haddonfield School District  
Notes to the Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2015**

**1. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Board of Education, Borough of Haddonfield School District. The Board of Education is defined in Note 1 to the School District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

**2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$3,392 for the general fund and \$-0- for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Expenditures from awards and financial assistance revenues are reported in the School District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
<b>General Fund</b>	\$ -	\$ 4,449,500	\$ 4,449,500
<b>Special Revenue Fund</b>	547,420	303,413	850,833
<b>Debt Service Fund</b>		78,030	78,030
<b>Food Service Fund</b>	<u>34,137</u>	<u>1,571</u>	<u>35,708</u>
<b>Total Awards &amp; Financial Assistance</b>	<u>\$ 581,557</u>	<u>\$ 4,832,514</u>	<u>\$ 5,414,071</u>

**Haddonfield School District  
Notes to the Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2015  
(Continued)**

**4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2015. TPAF Social Security Contributions represents the amount reimbursed by the State for the School District's share of social security contributions for TPAF members for the year ended June 30, 2015.

**6. MAJOR PROGRAMS**

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

**7. ADJUSTMENTS**

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

	<b>State</b>
Cancellation of Accounts Receivable	\$ 1
Total	\$ 1



**HADDONFIELD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

**State Awards Section**

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

Auditee qualified as low-risk auditee? \_\_\_\_\_ X \_\_\_\_\_ yes \_\_\_\_\_ no

Internal Control over major programs:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular Letter 04-04 and/or 15-08 as applicable? \_\_\_\_\_ yes \_\_\_\_\_ X \_\_\_\_\_ no

Identification of major programs:

<b><u>State Grant/Project Number(s)</u></b>	<b><u>Name of State Program</u></b>
_____ 15-495-034-5120-089 _____	_____ <u>Special Education Categorical Aid</u> _____
_____ 15-495-034-5094-003 _____	_____ <u>Reimbursed TPAF Social Security Contributions</u> _____
_____ 15-100-010-3350-023 _____	_____ <u>School Lunch Program</u> _____
_____ _____	_____ _____
_____ _____	_____ _____
_____ _____	_____ _____
_____ _____	_____ _____

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

**Section 2 -- Schedule of Financial Statement Findings**

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

No findings identified.

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

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

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular Letter 04-04 and/or 15-08, as applicable

**FEDERAL AWARDS:**

No findings and/or questioned costs identified.

**STATE AWARDS:**

No findings and/or questioned costs identified.

**HADDONFIELD SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

This section identifies the status of prior year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB Circular A-133 and NJOMB's Circular 04-04 and/or 15-08, as applicable.

**FINANCIAL STATEMENT FINDINGS**

**Finding #2014-1**

Community Education, Middle School and High School student activity receipts were not deposited promptly.

**Current Status:**

This condition has been corrected.

**FEDERAL AWARDS**

There were no prior year audit findings.

**STATE AWARDS**

There were no prior year audit findings.