

SCHOOL DISTRICT  
OF  
**BARRINGTON**



Barrington Board of Education  
Barrington, New Jersey

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

**Comprehensive Annual  
Financial Report**

**of the**

**Barrington Board of Education**

**Barrington, New Jersey**

**For the Fiscal Year Ended June 30, 2016**

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

# BARRINGTON SCHOOL DISTRICT

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**Introductory Section**

*Barrington School District*

*311 Reading Avenue  
Barrington, NJ 08007  
(856) 547-8467  
(856) 547-5533 (fax)*

*Anthony Arcodia  
Superintendent*

*Samuel Dutkin  
School Business Administrator/  
Board Secretary*

October 1, 2016

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

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the Barrington School District for the fiscal year ended June 30, 2016, is hereby submitted. 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 CAFR 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 officers. 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 and Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 04-04 and/or 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the 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:** Barrington 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 Barrington Board of Education and all its schools constitute the District's reporting entity.

The District provides the following services:

- K-8 regular education
- Remedial services for at-risk students
- Special Education programs and related services as indicated in the Individual Education Plan (IEP) and required by N.J.A.C. 6:14, including a Preschool Disabilities Program
- Participation in the National School Lunch Program

- Transportation services, both public and nonpublic
  - Tuition for the students who choose to attend Haddon Heights High School for grades 9-12.
2. **ECONOMIC CONDITION AND OUTLOOK:** The Barrington area is experiencing little change in demographics. Ratables have decreased. The community continues to benefit from grant programs for economic redevelopment of the downtown landscape.
  3. **MAJOR INITIATIVES.** The administration continues to incorporate the common core standards into the educational programs, and to enhance technology use across content areas. Efforts are also being implemented to enhance school/community communications through the use of technology and ensure curriculum is up to date in all areas.
  4. **INTERNAL ACCOUNTING CONTROLS.** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate 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 municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.  
An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2015.
6. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.
7. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by a state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds



only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**8. RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Board also carried Builders Risk coverage for the facility expansion and renovation projects.

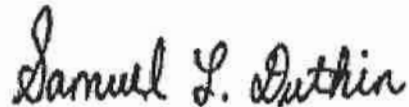
**9. OTHER INFORMATION:** **Independent Audit** – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso and Stewart was selected by the Board of Education. In addition to meeting the requirements set forth 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 State Treasury Circular Letter 04-04 and/or 15-08 OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,



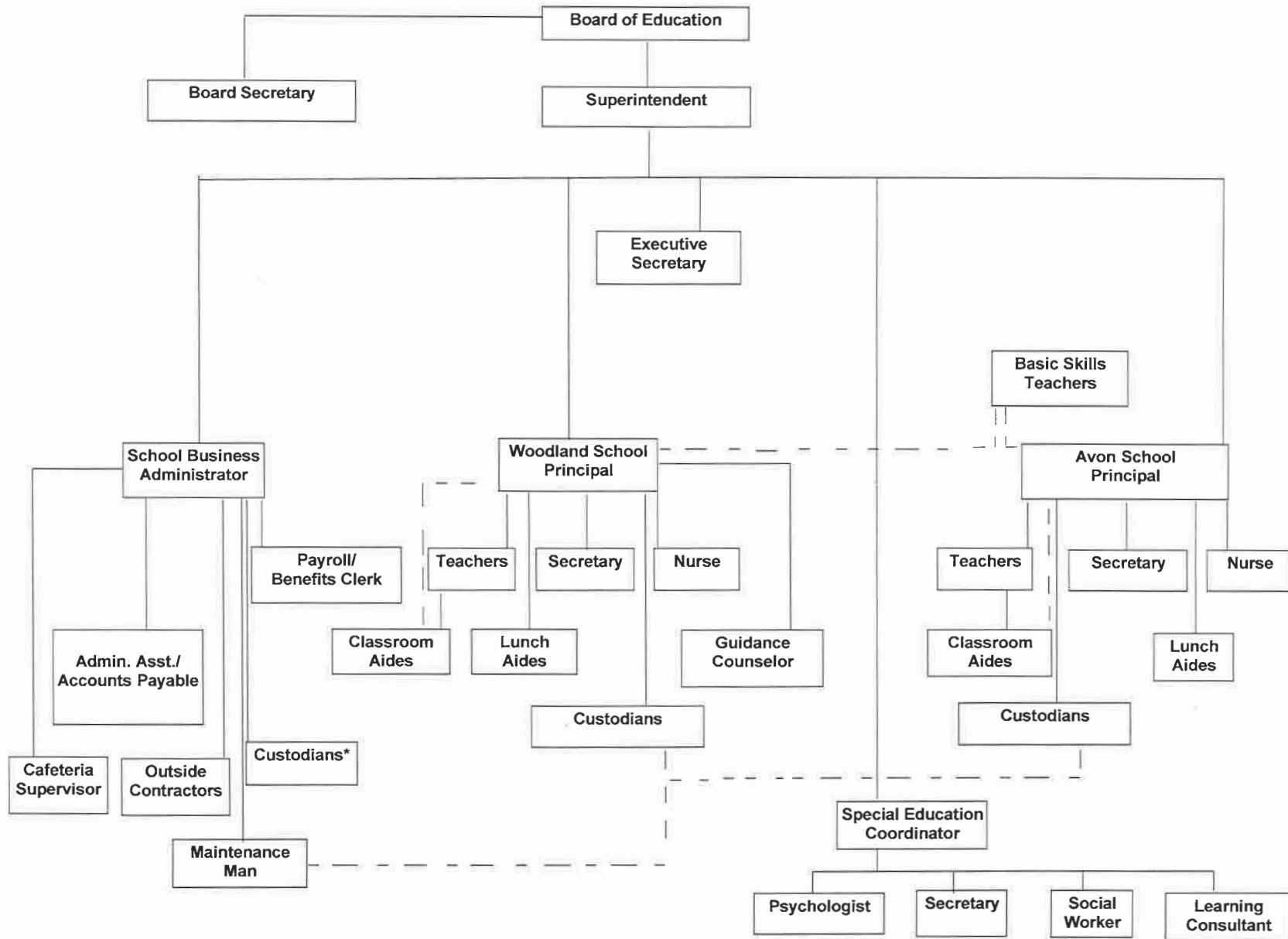
Anthony Arcodia  
Superintendent of Schools



Samuel Dutkin  
School Business Administrator/  
Board Secretary

# BARRINGTON BOARD OF EDUCATION

## Organizational Chart (Unit Control)



5

\*Summer

**BARRINGTON SCHOOL DISTRICT**

**Roster of Officials**

**June 30, 2016**

**Members of the Board of Education:**

**Term Expires**

Michael Drumm, President	2018
Carla Bolling, Vice President	2016
Sherry Chin-Glaser	2018
Mark Correa	2018
Robert Klopp	2016
Kelli Martone	2017
Holly McCauley	2016
Martin Schoettler, Jr.	2017
Jennifer Schuster	2017

**Other Officials:**

Anthony Arcodia, Superintendent  
Samuel Dutkin, Business Administrator/Board Secretary  
Mary E. Bakey, Treasurer  
Mark G. Toscano, Esq. Solicitor

**BARRINGTON SCHOOL DISTRICT  
Consultants and Advisors**

**Audit Firm**

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

**Attorney**

Mark G. Toscano, Esquire  
521 Pleasant Valley Avenue  
Moorestown, NJ 08057

**Broker of Record**

Hardenbergh Insurance Group  
8000 Sagemore Drive  
Suite 8101  
Marlton, NJ 08053

**Official Depository**

BB&T Bank  
305 White Horse Pike  
Lawnside, NJ 08045

**Financial Section**

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

651 Route 73 North, Suite 402  
Marlton, New Jersey 08053  
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-Member of-  
American Institute of CPAs  
New Jersey Society of CPAs

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
of the Board of Education  
Barrington School District  
County of Camden  
Barrington, 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 Barrington School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

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

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

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

## ***Opinions***

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Barrington School District, in the County of Camden, State of New Jersey, as of June 30, 2016, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

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

### *Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Barrington School District's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Title 2 U.S. Code of Federal Regulations Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Treasury Circular OMB 15-08, as applicable, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the financial statements.


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

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

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

In accordance with *Government Auditing Standards*, I have also issued my report dated September 30, 2016 on my consideration of the Barrington 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 Barrington School District's internal control over financial reporting and compliance.

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



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant

Marlton, New Jersey  
September 30, 2016



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

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 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  
 Barrington School District  
 County of Camden  
 Barrington, 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 Barrington School District, in the County of Camden, State of New Jersey, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued my report thereon dated September 30, 2016.

***Internal Control Over Financial Reporting***

In planning and performing my audit of the financial statements, I considered the Barrington 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 Barrington 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 Barrington 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey which is described in the accompanying *Schedule of Findings and Questioned Costs and Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* as finding no: 2016-001.

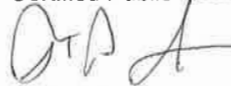
**The Barrington School District's Response to Findings**

The Barrington School District's response to the findings identified in my audit is described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

**Purpose of this Report**

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

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



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant

Marlton, New Jersey  
September 30, 2016

Required Supplementary Information - Part I

Management's Discussion and Analysis

**Barrington School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016**

As management of the Board of Education of the Barrington, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$486,675 (*net position*).
- Governmental activities have an unrestricted net position deficit of \$1,937,859. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, capital lease payables, accrued interest payable and the June state aid payments, and state statutes that prohibit 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 \$114,520, or a 30.77% increase from the prior fiscal year-end balance. The majority of this increase is attributable to the operations in the governmental funds.
- Fund balance of the School District's governmental funds increased by \$491,529 resulting in an ending fund balance of \$1,668,723. This increase is primarily attributable to the results of operations in the general fund.
- Business-type activities have unrestricted net position of \$46,981 which may be used for the operation of the School District's enterprise-related activities (Food Services Program).
- The School District's long-term obligations decreased by \$225,975 which is the reduction of general obligation bonds and compensated absences and increase in capital leases for the current year.

**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.

### **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 one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

*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 and equipment. 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 interest expense on long-term debt, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2016. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2016.

The assets of the primary government activities exceeded liabilities by \$428,617 with a deficit unrestricted balance of \$1,937,859. As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, net pension liability, capital leases payable, accrued interest payable, the June state aid payment, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

The net position of the primary government does not include internal balances.

A net investment of \$690,191 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's students, accounts for 161.03% of the total net position of the District.

Net position of \$1,676,285 has been restricted as follows:

Designated for the 2016/17 budget	\$ 199,010
Tuition Reserve	640,000
Emergency Reserve	200,000
Maintenance Reserve	200,000
Capital projects	437,275

**Barrington School District  
Comparative Summary of Net Position  
As of June 30, 2016 and 2015**

	Governmental Activities		Business-Type Activities		District-Wide	
	2016	2015	2016	2015	2016	2015
<b>Assets:</b>						
Current assets	\$ 1,701,021	\$ 1,219,074	\$ 49,367	\$ 65,701	\$ 1,750,388	\$ 1,284,775
1 Capital assets	5,490,870	6,011,328	11,077	12,083	5,501,947	6,023,411
<b>Total assets</b>	<b>7,191,891</b>	<b>7,230,402</b>	<b>60,444</b>	<b>77,784</b>	<b>7,252,335</b>	<b>7,308,186</b>
Deferred Outflows of Resources	478,650	171,530			478,650	171,530
<b>Liabilities:</b>						
Current Liabilities	357,913	349,415	2,386	4,099	360,299	353,514
Noncurrent Liabilities	6,848,756	6,649,877			6,848,756	6,649,877
<b>Total liabilities</b>	<b>7,206,669</b>	<b>6,999,292</b>	<b>2,386</b>	<b>4,099</b>	<b>7,209,055</b>	<b>7,003,391</b>
Deferred Inflows of Resources	35,255	104,170			35,255	104,170
<b>Net position</b>	<b>\$ 428,617</b>	<b>\$ 298,470</b>	<b>\$ 58,058</b>	<b>\$ 73,685</b>	<b>\$ 486,675</b>	<b>\$ 372,155</b>
<b>Net position consist of:</b>						
Net investment in						
capital assets	\$ 690,191	\$ 998,793	\$ 11,077	\$ 12,083	\$ 701,268	\$ 1,010,876
Restricted	1,676,285	1,206,080			1,676,285	1,206,080
Unrestricted	(1,937,859)	(1,906,403)	46,981	61,602	(1,890,878)	(1,906,403)
<b>Net position</b>	<b>\$ 428,617</b>	<b>\$ 298,470</b>	<b>\$ 58,058</b>	<b>\$ 73,685</b>	<b>\$ 486,675</b>	<b>\$ 372,155</b>

**Governmental Activities**

Governmental activities increased the net position of the School District by \$130,147 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- Depreciation expense of \$571,074.
- Results of Operations in the General Fund of \$494,474.

**Business-type Activities**

Business-type activities decreased the School District's net position by \$15,627. Key elements of the decrease in net position for business-type activities are as follows:

- The food service fund had a net loss of \$15,627.

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

	Governmental Activities		Business-Type Activities		District-Wide	
	2016	2015	2016	2015	2016	2015
<b>Revenues:</b>						
<b>Program Revenues</b>						
Charges for services	\$ 26,946	\$ -	\$ 123,313	\$ 120,434	\$ 150,259	\$ 120,434
Operating grants and Contributions	1,555,032	1,483,956	97,911	91,910	1,652,943	1,575,866
<b>General Revenues:</b>						
Property Taxes	10,051,250	9,557,759			10,051,250	9,557,759
Unrestricted State Aid	3,302,529	3,326,395			3,302,529	3,326,395
Other Revenues	51,987	25,353	21	24	52,008	25,377
<b>Total Revenues</b>	<b>14,987,744</b>	<b>14,393,463</b>	<b>221,245</b>	<b>212,368</b>	<b>15,208,989</b>	<b>14,605,831</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	4,823,282	4,944,197			4,823,282	4,944,197
Tuition	3,737,670	3,739,380			3,737,670	3,739,380
Related Services	1,134,161	1,044,259			1,134,161	1,044,259
Administrative Services	707,595	728,720			707,595	728,720
Operations and Maintenance	749,376	1,214,681			749,376	1,214,681
Transportation	462,781	449,777			462,781	449,777
Interest on long-term Debt	161,100	187,450			161,100	187,450
Other	114,214	102,988			114,214	102,988
Transfer to Charter Schools	68,094				68,094	
Unallocated benefits	2,899,324	2,472,777			2,899,324	2,472,777
<b>Business-Type Activities:</b>						
Food Service Operations			236,872	202,067	236,872	202,067
<b>Total Expenses</b>	<b>14,857,597</b>	<b>14,884,229</b>	<b>236,872</b>	<b>202,067</b>	<b>15,094,469</b>	<b>15,086,296</b>
<b>Increase in net position</b>						
Before transfers	130,147	(490,766)	(15,627)	10,301	114,520	(480,465)
<b>Transfers</b>						
Changes in net position	130,147	(490,766)	(15,627)	10,301	114,520	(480,465)
Net position, July 1,	298,470	789,236	73,685	63,384	372,155	852,620
Net position, June 30,	\$ 428,617	\$ 298,470	\$ 58,058	\$ 73,685	\$ 486,675	\$ 372,155



## **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 \$1,668,723, an increase of \$491,529 in comparison with the prior year. Most of the increase can be attributed to the results of operations in the general fund.

The unassigned General Fund balance at the end of the fiscal year is a deficit balance of (\$7,562). The remainder of the fund balance is restricted to indicate that it is not available for new spending because it has already been committed as follows: 1) restricted cash reserved for future capital outlay expenditures (\$437,275), 2) appropriated as a revenue source in the subsequent year's budget (\$519,010), 3) reserved for future budget appropriation (\$320,000), 4) reserved for emergency (\$200,000), or 5) reserved for future maintenance projects (\$200,000)

The general fund is the chief operating fund of the School District. As discussed earlier, the minimal fund balance is due, primarily, to the accounting treatment of the June state aid payments 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 unassigned fund balance.

Revenue is generally recognized at the time that the outlays are identified; therefore no fund balances are normally generated in the special revenue fund.

### **General Fund Budgetary Highlights**

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$296,334, while total fund balance (budgetary basis) was \$1,972,619. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$13,648,249. Unassigned fund balance (budgetary basis) represents 2.17% of expenditures while total fund balance (budgetary basis) represents 14.45% of that same amount.

### **Capital Asset and Debt Administration**

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2016, totaled \$5,501,947 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$521,464, or an 8.66% decrease.

Major capital assets events during the current fiscal year included the following:

- Depreciation expense for the current fiscal year was \$572,080
- Capital Additions totaling \$50,616

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

	Governmental Activities		Business-Type Activities		District-Wide	
	2016	2015	2016	2015	2016	2015
Land	\$ 133,067	\$ 133,067			\$ 133,067	\$ 133,067
Construction in Progress						
Site Improvements	40,097	44,932			40,097	44,932
Buildings and Building Improvements	5,164,282	5,660,657			5,164,282	5,660,657
Equipment	153,424	172,672	\$ 11,077	\$ 12,083	164,501	184,755
<b>Total</b>	<b>\$ 5,490,870</b>	<b>\$ 6,011,328</b>	<b>\$ 11,077</b>	<b>\$ 12,083</b>	<b>\$ 5,501,947</b>	<b>\$ 6,023,411</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, 2016, the School District had total bonded debt outstanding of \$4,525,000 backed by the full faith and credit of the School District. In addition, the School District has outstanding lease obligations in the amount of \$50,616 and future compensated absences of \$137,710.

General obligation bonds for the School District decreased during the current fiscal year according to the normal schedule of payments.

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 \$15,365,580 and the legal debt margin was \$10,840,580.

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 2016-2017 fiscal year.

- For the 2016-17 fiscal year the School District will be receiving a slight increase in state aid. The local tax levy in the General Fund increased \$242,231 over the previous year, resulting in an 8 cent tax increase. Salaries continue to increase contractually; however, the District has managed to control costs. The 2016-17 General Fund Budget is \$609,532 greater than the previous year or a 4.63% increase.

**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 Barrington School District Business Administrator, 311 Reading Avenue, Barrington, New Jersey, 08007, telephone number (856) 547-8648.

Basic Financial Statements

District-Wide Financial Statements

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2016**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 1,543,745	\$ 41,518	\$ 1,585,263
Receivables, net	157,276	5,171	162,447
Inventory		2,678	2,678
Capital Assets, net (Note 5)	<u>5,490,870</u>	<u>11,077</u>	<u>5,501,947</u>
Total Assets	<u>7,191,891</u>	<u>60,444</u>	<u>7,252,335</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	<u>478,650</u>		<u>478,650</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>	<u>7,670,541</u>	<u>60,444</u>	<u>7,730,985</u>
<b>LIABILITIES:</b>			
Accounts Payable	2,950		2,950
Intergovernmental Payable State	29,348		29,348
Unearned Revenue		2,386	2,386
Accrued Interest Payable	43,225		43,225
Noncurrent Liabilities:			
Due within one year	282,390		282,390
Due beyond one year	<u>6,848,756</u>		<u>6,848,756</u>
Total Liabilities	<u>7,206,669</u>	<u>2,386</u>	<u>7,209,055</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows of resources from pensions	<u>35,255</u>		<u>35,255</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>	<u>7,241,924</u>	<u>2,386</u>	<u>7,244,310</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	690,191	11,077	701,268
Restricted for:			
Capital Projects	437,275		437,275
Debt Service			
Other Purposes	1,239,010		1,239,010
Unrestricted (Deficit)	<u>(1,937,859)</u>	<u>46,981</u>	<u>(1,890,878)</u>
Total Net Position	<u>\$ 428,617</u>	<u>\$ 58,058</u>	<u>\$ 486,675</u>

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

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Activities**  
For the Fiscal Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
Instruction:							
Regular	\$ 3,279,189	\$ 26,946	\$ 160,859	\$ -	\$ (3,091,384)	\$ -	\$ (3,091,384)
Special Education	1,400,181		281,468		(1,118,713)		(1,118,713)
Other instruction	143,912				(143,912)		(143,912)
Support Services:							
Tuition	3,737,670				(3,737,670)		(3,737,670)
Student & instruction related services	1,134,161		26,305		(1,107,856)		(1,107,856)
General administrative services	254,610				(254,610)		(254,610)
School administrative services	159,401				(159,401)		(159,401)
Central services	293,584				(293,584)		(293,584)
Plant operations and maintenance	749,376		4,700		(744,676)		(744,676)
Pupil transportation	462,781				(462,781)		(462,781)
Unallocated benefits	2,899,324		1,081,700		(1,817,624)		(1,817,624)
Interest on long-term debt	161,100				(161,100)		(161,100)
Transfer to charter school	68,094				(68,094)		(68,094)
Unallocated depreciation and amortization	114,214				(114,214)		(114,214)
Total Governmental Activities	<u>14,857,597</u>	<u>26,946</u>	<u>1,555,032</u>	<u>-</u>	<u>(13,275,619)</u>		<u>(13,275,619)</u>
<b>Business-Type Activities:</b>							
Food service	236,872	123,313	97,911			(15,648)	(15,648)
Total Business-Type Activities	<u>236,872</u>	<u>123,313</u>	<u>97,911</u>	<u>-</u>	<u>-</u>	<u>(15,648)</u>	<u>(15,648)</u>
<b>Total Primary Government</b>	<u>\$ 15,094,469</u>	<u>\$ 150,259</u>	<u>\$ 1,652,943</u>	<u>\$ -</u>	<u>(13,275,619)</u>	<u>(15,648)</u>	<u>(13,291,267)</u>
<b>General Revenues:</b>							
Taxes:							
Property taxes, levied for general purposes, net					9,626,000		9,626,000
Taxes levied for debt service					425,250		425,250
Federal and State aid not restricted					3,302,529		3,302,529
Investment Earnings					251	21	272
Miscellaneous Income					51,736		51,736
Total general revenues, special items, extraordinary items and transfers					<u>13,405,766</u>	<u>21</u>	<u>13,405,787</u>
Change in Net Position					130,147	(15,627)	114,520
Net Position - July 1, 2015					298,470	73,685	372,155
Net Position - June 30, 2016					<u>\$ 428,617</u>	<u>\$ 58,058</u>	<u>\$ 486,675</u>

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

Fund Financial Statements

**BARRINGTON SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2016**

<b>ASSETS</b>	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 868,418	\$ 46,102	\$ 191,950	\$ -	\$ 1,106,470
Receivables, net					
State aid	83,528				83,528
Federal aid		31,979			31,979
Other accounts receivable	35,971				35,971
Interfund	246,481				246,481
Restricted assets:					
Cash and cash equivalents	437,275				437,275
<b>Total Assets</b>	<b>\$ 1,671,673</b>	<b>\$ 78,081</b>	<b>\$ 191,950</b>	<b>\$ -</b>	<b>\$ 1,941,704</b>
 <b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	2,950				2,950
Interfund payable		48,733	191,950		240,683
Intergovernmental payable:					
State		29,348			29,348
<b>Total Liabilities</b>	<b>2,950</b>	<b>78,081</b>	<b>191,950</b>	<b>-</b>	<b>272,981</b>
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Capital reserve	437,275				437,275
Maintenance reserve	200,000				200,000
Tuition reserve - current year	320,000				320,000
Tuition reserve - prior year	320,000				320,000
Emergency reserve	200,000				200,000
<b>Assigned to:</b>					
Subsequent year's budget	199,010				199,010
Unassigned	(7,562)				(7,562)
<b>Total Fund Balances</b>	<b>1,668,723</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,668,723</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,671,673</b>	<b>\$ 78,081</b>	<b>\$ 191,950</b>	<b>\$ -</b>	<b>-</b>

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 \$12,147,269 and the accumulated depreciation is \$6,656,399. 5,490,870

Bond issuance premiums are recorded as revenue in the Governmental Funds in the year of receipt. The premiums are amortized over the life of the issued bonds. (225,063)

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	478,650	
Net Pension Liability	(2,192,757)	
Deferred Inflows of resources from Pensions	(35,255)	(1,749,362)

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	\$ (4,525,000)	
Compensated Absences Payable	(137,710)	
Capital Leases Payable	(50,616)	
Accrued Interest Payable	(43,225)	
		(4,756,551)

Net position of governmental activities **\$ 428,617**

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



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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 9,626,000	\$ -	\$ -	\$ 425,250	\$ 10,051,250
Tuition from Individuals	26,946				26,946
Interest earned on capital reserve	251				251
Miscellaneous	51,736				51,736
Total local sources	9,704,933			425,250	10,130,183
State sources	4,384,229	52,759			4,436,988
Federal sources		420,573			420,573
Total Revenues	14,089,162	473,332	-	425,250	14,987,744
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	2,732,697	160,859			2,893,556
Special education instruction	1,118,713	281,468			1,400,181
Other instruction	143,912				143,912
Support services and undistributed costs:					
Tuition	3,737,670				3,737,670
Student & instruction related services	1,107,856	26,305			1,134,161
General administrative services	226,056				226,056
School administrative services	159,401				159,401
Central services	140,479				140,479
Administrative information technology	124,551				124,551
Plant operations and maintenance	723,713				723,713
Pupil transportation	462,781				462,781
Unallocated employee benefits	2,830,587				2,830,587
Capital outlay	71,739	4,700			76,439
Transfer to charter school	68,094				68,094
Debt service:					
Principal				245,000	245,000
Interest and other charges				180,250	180,250
Total Expenditures	13,648,249	473,332	-	425,250	14,546,831
Excess (Deficiency) of Revenues over (under) Expenditures	440,913	-	-	-	440,913
<b>Other Financing Sources (Uses):</b>					
Proceeds of Capital Lease	50,616				50,616
Transfers in	2,945				2,945
Transfers out			(2,945)		(2,945)
Total Other Financing Sources (Uses)	53,561	-	(2,945)	-	50,616
Net Change in Fund Balances	494,474	-	(2,945)	-	491,529
Fund Balances - July 1, 2015	1,174,249	-	2,945	-	1,177,194
Fund Balances - June 30, 2016	\$ 1,668,723	\$ -	\$ -	\$ -	\$ 1,668,723

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

**BARRINGTON SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2016**

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$ 491,529
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>Governmental Funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
Depreciation expense	\$ (571,074)	
Capital Outlay Additions	<u>50,616</u>	(520,458)
<p>Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		245,000
<p>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.</p>		
		160
<p>Bond Premium arising from the issuance of the refunding school bonds is recorded as a deferred inflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of amortization.</p>		
		17,312
<p>The issuance of a capital lease increases long-term liabilities, however has no effect on fund balance.</p>		
		(50,616)
<p>Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.</p>		
		(68,737)
<p>Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.</p>		
		1,838
<p>In the statement of activities, certain operating expenses, (e.g. compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+)</p>		
		<u>14,119</u>
Change in net position of Governmental Activities		<u>\$ 130,147</u>

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

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

	<u>Business-Type Activities Enterprise Funds</u>
	<u>Food Service Fund</u>
<b>ASSETS:</b>	
Current Assets:	
Cash and cash equivalents	\$ 41,518
Intergovernmental receivables:	
State	122
Federal	5,049
Inventories	<u>2,678</u>
Total current assets	<u>49,367</u>
Noncurrent assets:	
Machinery and equipment (net of accumulated depreciation)	<u>11,077</u>
Total noncurrent assets	<u>11,077</u>
Total Assets	<u>\$ 60,444</u>
<b>LIABILITIES:</b>	
Current liabilities:	
Accounts Payable	\$ -
Unearned Revenue	<u>2,386</u>
Total current liabilities	<u>2,386</u>
<b>NET POSITION:</b>	
Net investment in capital assets	11,077
Unrestricted	<u>46,981</u>
Total Net Position	<u>\$ 58,058</u>

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

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Business-Type Activities Enterprise Funds</u>
	<u>Food Service Fund</u>
<b>Operating Revenues:</b>	
Charges for Services:	
Daily sales:	
Reimbursable programs	\$ 66,611
Non-reimbursable programs	56,702
	123,313
<b>Operating Expenses:</b>	
Salaries and fringe benefits	95,570
Supplies and materials	7,748
Management fee	16,390
Other costs	26,185
Depreciation	1,006
Cost of Sales - reimbursable programs	48,585
Cost of Sales - non-reimbursable programs	41,388
	236,872
Total Operating Expenses	236,872
Operating Income (Loss)	(113,559)
<b>Non-Operating Revenues:</b>	
State sources:	
State school lunch program	2,048
Federal sources:	
National school lunch program	66,185
School breakfast program	12,942
Food distribution program	16,736
Local sources:	
Interest earned	21
	97,932
Total Non-Operating Revenues	97,932
Income (Loss) before Contributions and Transfers	(15,627)
Operating Transfers In	(15,627)
Change in Net Position	73,685
Net Position - July 1, 2015	73,685
Net Position - June 30, 2016	\$ 58,058

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

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

	<u>Business-Type Activities Enterprise Funds</u>
	<u>Food Service Fund</u>
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from customers	\$ 122,714
Cash payments to employees for services	(95,570)
Cash payments to suppliers for goods and services	(134,158)
Net Cash Provided by (used for) Operating Activities	(107,014)
<b>Cash Flows from Noncapital Financing Activities:</b>	
Cash received from state sources	2,035
Cash received from federal sources	95,297
Cash received from operating transfer in	
Net Cash Provided by (used for) Noncapital Financing Activities	97,332
<b>Cash Flows Used by Capital and Related Financing Activities:</b>	
Purchase of Equipment	
<b>Cash Flow Provided by Investing Activities:</b>	
Interest on Cash Equivalents	21
Net Increase (Decrease) in Cash and Cash Equivalents	(9,661)
Cash and Cash Equivalents - July 1, 2015	51,179
Cash and Cash Equivalents - June 30, 2016	\$ 41,518
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:</b>	
Operating Income (Loss)	\$ (113,559)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (used for)	
Operating Activities:	
Depreciation	1,006
Change in Assets and Liabilities:	
(Increase) Decrease in Inventories	7,252
Increase (Decrease) in Accounts Payables	(1,116)
Increase (Decrease) in Unearned Revenue	(597)
Net Cash Provided by (used for) Operating Activities	\$ (107,014)
<b>Noncash Noncapital Financing Activities:</b>	
During the year the District received \$16,736 of food commodities from the U.S. Department of Agriculture.	

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

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2016**

	<b>Trust Funds</b>		
	<b>Unemployment Compensation Trust</b>	<b>Flexible Benefit Trust</b>	<b>Agency Funds</b>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 8,437	\$ 2,254	\$ 14,686
Accounts Receivable			8,502
Total Assets	\$ 8,437	\$ 2,254	\$ 23,188
 <b>LIABILITIES:</b>			
Interfund Payable	\$ -	\$ -	\$ 5,798
Accounts Payable	2,958		
Due to Student Groups			17,390
Total Liabilities	2,958		\$ 23,188
 <b>NET Position:</b>			
Held in Trust for Claims	\$ 5,479	\$ 2,254	

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

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

	Unemployment Compensation Trust Fund	Flexible Benefits Trust Fund
<b>ADDITIONS:</b>		
Contributions	\$ 16,572	\$ 13,050
Interest on Investments	1	
Total Additions	<u>16,573</u>	<u>13,050</u>
<b>DEDUCTIONS:</b>		
Claims paid	15,351	11,973
Total Deductions	<u>15,351</u>	<u>11,973</u>
Change in Net Position	1,222	1,077
Net Position - July 1	<u>4,257</u>	<u>1,177</u>
Net Position - June 30	<u>\$ 5,479</u>	<u>\$ 2,254</u>

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The Barrington School District ("School District") is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 8. Students in grades 9 through 12 attend, on a tuition basis, the Haddon Heights High School District. The Barrington School District has an approximate enrollment at June 30, 2016 of 616 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.

**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.



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

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

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

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

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

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

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

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

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

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

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

The School District's enterprise funds are:

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

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

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

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

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

**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 three fiduciary funds; a flexible spending account, a student activity fund, and a payroll fund.

**Measurement Focus**

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

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

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

**Basis of Accounting**

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

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

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

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

**Revenues - Exchange and Non-exchange Transactions (Continued)** - 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.

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.

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

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

**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, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

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

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

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

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

**Tuition Payable** - Tuition charges for the fiscal years ended June 30, 2016 and 2015 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

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

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

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

**Prepaid Expenses** - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2016.

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

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

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

**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 \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

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

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

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

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

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

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

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

**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.

**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.

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

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

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

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

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

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

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

**Nonspendable** – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained in fact. The "not in spendable form" criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2016.

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

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

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

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

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

**Fund Balance (Continued)**

**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 and tuition fees for the before and after school 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

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

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

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

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

In June 2015, the GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures.



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

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

**Recently Issued Accounting Pronouncements (Continued)** 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.

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

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

**2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$1,895,117 as of June 30, 2016, \$250,000 was insured under FDIC and the remaining balance of \$1,645,117 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.



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

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

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

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

Balance – July 1, 2015		\$ 231,079
Increased by:		
Interest earned	251	
Transfer from Capital Projects Fund	2,945	
Board resolution	203,000	206,196
Balance – June 30, 2016		<u>\$ 437,275</u>

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

**4. ACCOUNTS RECEIVABLES**

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Proprietary Fund	Total
Intergovernmental					
Local	\$ 35,971	\$ -	\$ -	\$ -	\$ 35,971
State	83,528			122	83,650
Federal		31,979		5,049	37,028
Total	<u>\$ 119,499</u>	<u>\$ 31,979</u>	<u>\$ -</u>	<u>\$ 5,171</u>	<u>\$ 156,649</u>

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

**5. CAPITAL ASSETS**

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

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>
<b>Governmental Activities:</b>				
Land	\$ 133,067	\$ -	\$ -	\$ 133,067
Construction in Progress				-
Total Capital Assets not being Depreciation	133,067			133,067
Land Improvements	161,200			161,200
Building and Improvements	11,279,201			11,279,201
Vehicles	30,000			30,000
Equipment	493,185	50,616		543,801
Total Historical Cost	<u>12,096,653</u>	<u>50,616</u>	<u>-</u>	<u>12,147,269</u>
Less Accumulated Depreciation:				
Land Improvements	(116,268)	(4,835)		(121,103)
Building and Improvements	(5,618,544)	(496,375)		(6,114,919)
Vehicles	(13,125)	(3,750)		(16,875)
Equipment	(337,388)	(66,114)		(403,502)
Total Accumulated Depreciation	<u>(6,085,325)</u>	<u>(571,074)</u>	<u>-</u>	<u>(6,656,399)</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,011,328</u>	<u>\$ (520,458)</u>	<u>\$ -</u>	<u>\$ 5,490,870</u>
<b>Business-Type Activities:</b>				
Equipment	\$ 62,900	\$ -	\$ -	\$ 62,900
Less - Accumulated Depreciation	<u>(50,817)</u>	<u>(1,006)</u>		<u>(51,823)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 12,083</u>	<u>\$ (1,006)</u>	<u>\$ -</u>	<u>\$ 11,077</u>

Depreciation expense in the amount of \$571,074 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 399,752
Central Administration	28,554
General Administration	28,554
Unallocated	<u>114,214</u>
Total depreciation expense	<u>\$ 571,074</u>

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

**6. INVENTORY**

Inventory in the Food Service Fund at June 30, 2016 consisted of the following:

Food	\$ 2,058
Supplies	<u>620</u>
	<u>\$ 2,678</u>

**7. LONG-TERM OBLIGATIONS**

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

	<u>Principal Outstanding June 30, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2016</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Compensated Absences	\$ 151,829	\$ -	\$ 14,119	\$ 137,710	\$ -
Obligations under Capital Leases	160	50,616	160	50,616	10,077
Unamortized Bond Premium	242,375		17,312	225,063	17,313
General Obligation Bonds	4,770,000		245,000	4,525,000	255,000
Net Pension Liability	<u>1,747,985</u>	<u>444,772</u>		<u>2,192,757</u>	
	<u>\$ 6,912,349</u>	<u>\$ 495,388</u>	<u>\$ 276,591</u>	<u>\$ 7,131,146</u>	<u>\$ 282,390</u>

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

Series 2012 Refunding Bonds dated December 19, 2012 in the amount of \$4,525,000 due in annual installments through April 1, 2029, bearing an interest rate of 3.00% to 4.00%.

As of June 30, 2016, principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 255,000	\$ 172,900	\$ 427,900
2018	270,000	165,250	435,250
2019	285,000	157,150	442,150
2020	295,000	148,600	443,600
2021	315,000	136,800	451,800
2022-2026	1,830,000	482,600	2,312,600
2027-2029	<u>1,275,000</u>	<u>102,000</u>	<u>1,377,000</u>
	<u>\$ 4,525,000</u>	<u>\$ 1,365,300</u>	<u>\$ 5,890,300</u>

As of June 30, 2016, the School District had no authorizations to issue additional bonded debt.

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

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

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

**Capital Leases Payable** - The School District has entered into the following capital lease agreement:

<u>Equipment</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Phone System	July 1, 2020	4.02%	\$ 50,616

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2016:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 10,077	\$ 1,099	\$ 11,176
2018	9,542	1,633	11,175
2019	9,927	1,249	11,176
2020	10,327	849	11,176
2021	10,743	432	11,175
	<u>\$ 50,616</u>	<u>\$ 5,262</u>	<u>\$ 55,878</u>

**8. OPERATING LEASES**

At June 30, 2016, the School District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$27,306 for the fiscal year ended June 30, 2016. The future minimum lease payments for these leases are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2017	\$ 27,675
2018	15,161
2019	13,897
	<u>\$ 56,733</u>

**9. PENSION PLANS**

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

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

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

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

**9. PENSION PLANS (Continued)**

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

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

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

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

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

For the year ended June 30, 2016, the District recognized pension expense of \$1,539,681 and revenue of \$1,539,681 for support provided by the State. Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district.

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

	06/30/15	06/30/14
Collective deferred outflows of resources	\$ 7,521,378,257	\$ 2,306,623,861
Collective deferred inflows of resources	554,399,005	1,763,205,593
Collective net pension liability (Non-Employer – State of New Jersey)	63,577,864,440	53,446,745,367
State's portion of the net pension liability that was associated with the district	25,216,282	21,072,898
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	.0398964849%	.0394278417%

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

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

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

**9. PENSION PLANS (Continued)**

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

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

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

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

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

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

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

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

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

**9. PENSION PLANS (Continued)**

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

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

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

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

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Total Liability Paid by District</u>
2016	\$ 14,217	\$ 65,495	\$ 4,268	\$ 83,980
2015	12,813	59,271	4,882	76,966
2014	12,481	54,872	1,145	68,498

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.

For the year ended June 30, 2016, the District recognized pension expense of \$171,375. At June 30, 2016, the District reported a liability of \$2,192,757 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	\$ 52,311	\$ -
Changes of assumptions	235,485	
Net Difference between projected and actual earnings on pension plan investments		35,255
Changes in proportion	100,941	
District contributions subsequent to the measurement date	89,913	
<b>Total</b>	<b>\$ 478,650</b>	<b>\$ 35,255</b>

\$89,913 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2016, the plan measurement date is June 30, 2015) will be recognized as a reduction of the net liability in the year ended June 30, 2016.

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

**9. PENSION PLANS (Continued)**

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

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 Inflows of Resources
2016	\$ 68,066
2017	68,067
2018	68,066
2019	94,109
2020	55,174
Total	\$ 353,482

**Additional Information**

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

	6/30/2015	6/30/2014
Collective deferred outflows of resources	\$ 3,578,755,666	\$ 952,194,675
Collective deferred inflows of resources	\$ 993,410,455	\$ 1,479,224,662
Collective net pension liability	\$ 22,447,996,119	\$ 18,722,735,003
District's Proportion	.0097681625%	.0093361653%

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

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

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

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

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



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

**9. PENSION PLANS (Continued)**

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

Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

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

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

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

	<u>1% Decrease (3.90%)</u>	<u>Current Discount Rate (4.90%)</u>	<u>1% Increase (5.90%)</u>
District's proportionate share of the net pension liability	\$ 2,725,329	\$ 2,192,757	\$ 1,746,253

*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.

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

**9. PENSION PLANS (Continued)**

**Defined Contribution Retirement Program (DCRP) (Continued)**

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

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

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2016	\$ 1,983	\$ 1,983
2015	1,306	1,306
2014	742	742

**10. POST-RETIREMENT BENEFITS**

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

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

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

The State establishes the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contribution to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the year ended June 30, 2016 was \$410,273, which equaled the required contributions. The State's contribution to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

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

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

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2016, the School District has recognized as revenues and expenditures \$344,558 of on-behalf payments made by the State of New Jersey for normal retirement costs related to TPAF and \$326,869 for employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**12. RISK MANAGEMENT**

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

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

**Joint Insurance Pool** - The School District is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG). Insurance coverage as provided by the Fund can be found in the Statistical Section of this Comprehensive Annual Financial Report.

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

The Fund publishes its own financial report which can be obtained at [www.njsbaig.com](http://www.njsbaig.com).

**New Jersey Unemployment Compensation Insurance** - Effective January 1, 2015, The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "benefit reimbursement method" in lieu of the "contributory method". Under this plan, the District is required to maintain a trust fund and 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.

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 year:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015-2016	\$ 9,275	\$ 7,297	\$ 1	\$ 15,351	\$ 5,479
2014-2015	4,682	-	-	425	4,257

**13. DEFERRED COMPENSATION**

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

**14. COMPENSATED ABSENCES**

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

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

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

**14. COMPENSATED ABSENCES (Continued)**

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2016, the liability for compensated absences in the governmental activities fund types was \$137,710.

**15. INTERFUND BALANCES AND TRANSFERS**

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, 2017. The following interfund balances were recorded on the various balance sheets as of June 30, 2016:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 246,481	\$ -
Special Revenue		48,733
Capital Projects		191,950
Fiduciary Fund		5,798
	<u>\$ 246,481</u>	<u>\$ 246,481</u>

**16. CONTINGENCIES**

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

At June 30, 2016, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

**17. FLEXIBLE BENEFITS PROGRAM**

The School District offers its employees a Flexible Benefits Program. The purpose of the program is to provide a tax incentive for plan participants incurring health premium expenses, dependent care expenses and other medical expenses not covered by other insurance. The School District, who is the plan administrator, has contracted with a third party 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 the third party for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the School District.

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016	\$ -	\$ 13,050	\$ 11,973	\$ 2,254
2015	-	11,965	11,731	1,177
2014	-	15,862	15,334	943

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

**18. DEFICIT UNASSIGNED FUND BALANCE**

The School District has a deficit unassigned fund balance of \$7,562 in the General Fund as of June 30, 2016 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable

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

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$7,562 is equal to or less than the June state aid payments.

**19. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2016, a deficit of \$1,937,859 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances June 30, 2016	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ (7,562)
Liabilities:	
Accrued Interest Payable	(43,225)
Net Pension Differences	(1,749,362)
Compensated Absences	<u>(137,710)</u>
Unrestricted Net Position (Deficit)	<u>\$ (1,937,859)</u>

**20. FUND BALANCES**

*RESTRICTED*

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

**General Fund:**

**Tuition Reserve** – In accordance with N.J.A.C. 6A:23-3.1(f)(8), the School District has restricted fund balance at June 30, 2016 in the amount of \$640,000 for tuition adjustments. This reserve represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated cost of the respective contract year. \$320,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2017 and \$320,000 is reserved for use in the June 30, 2018 year.

**Capital Reserve** – As of June 30, 2016, the balance in the capital reserve account is \$437,275. Of this amount \$40,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2017 and \$397,275 is restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan.

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

**20. FUND BALANCES (Continued)**

**Maintenance Reserve Account** – As of June 30, 2016, the balance in the maintenance reserve account is \$200,000. Of this amount \$40,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2017. 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).

**Emergency Reserve** – As of June 30, 2016, the balance in the emergency reserve is \$200,000. Of this amount \$40,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2017. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1).

*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:**

**Designated for Subsequent Year's Expenditures** – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2017, \$199,010 of general 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, 2016, the unassigned fund balance of the general fund was a deficit of \$7,562. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 18).

Required Supplementary Information - Part II

Budgetary Comparison Schedules



**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2016**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local Tax Levy	\$ 9,626,000	\$ -	\$ 9,626,000	\$ 9,626,000	\$ -
Tuition from Individuals				26,946	26,946
Interest earned on Capital Reserve				251	251
Unrestricted misc. revenues	1,200	-	1,200	51,736	50,536
<b>Total local sources</b>	<b>9,627,200</b>		<b>9,627,200</b>	<b>9,704,933</b>	<b>77,733</b>
State sources:					
Categorical Special Education Aid	518,323		518,323	518,323	
Equalization Aid	2,677,918		2,677,918	2,677,918	
Security Aid	20,049		20,049	20,049	
Transportation Aid	20,628		20,628	20,628	
PARCC Readiness Aid	8,540		8,540	8,540	
Per Pupil Growth Aid	8,540		8,540	8,540	
Extraordinary Aid				38,835	38,835
Nonpublic Transportation Aid				7,208	7,208
Homeless Tuition Aid				5,023	5,023
On-behalf TPAF pension contrib.. (non-budgeted)				344,558	344,558
On-behalf Post Retirement Medical (non-budgeted)				410,273	410,273
Reimbursed TPAF social security contribution (non-budgeted)				326,869	326,869
<b>Total state sources</b>	<b>3,253,998</b>		<b>3,253,998</b>	<b>4,386,764</b>	<b>1,132,766</b>
<b>TOTAL REVENUES</b>	<b>12,881,198</b>		<b>12,881,198</b>	<b>14,091,697</b>	<b>1,210,499</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	277,095	(18,241)	258,854	252,115	6,739
Grades 1-5	1,606,245	(184,393)	1,421,852	1,370,777	51,075
Grades 6-8	877,141	119,788	996,929	996,369	560
Regular Programs - Home Instruction:					
Salaries of teachers	2,000		2,000	625	1,375
Regular Programs - Undistributed Instruction:					
Purchased professional - educational services	16,400		16,400	10,835	5,565
Purchased technical services	20,000		20,000	14,922	5,078
Other purchased services	1,500		1,500	959	541
General supplies	163,028		163,028	82,949	80,079
Textbooks	9,963		9,963	2,888	7,075
Other objects	717		717	258	459
<b>Total - Regular Programs - Instruction</b>	<b>2,974,089</b>	<b>(82,846)</b>	<b>2,891,243</b>	<b>2,732,697</b>	<b>158,546</b>

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

(CONTINUED TO NEXT PAGE)

**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2016**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of teachers	\$ 58,195	\$ 33,520	\$ 91,715	\$ 89,767	\$ 1,948
Other salaries for instruction	169,320	(33,520)	135,800	118,435	17,365
General supplies	200		200		200
<b>Total multiple disabilities</b>	<b>227,715</b>		<b>227,715</b>	<b>208,202</b>	<b>19,513</b>
Resource room/resource center:					
Salaries of teachers	862,840		862,840	803,030	59,810
Other salaries for instruction	26,436		26,436	14,463	11,973
General supplies	15,000		15,000	5,319	9,681
<b>Total resource room/resource center</b>	<b>904,276</b>		<b>904,276</b>	<b>822,812</b>	<b>81,464</b>
Preschool disabilities - full time:					
Salaries of teachers	60,595		60,595	53,243	7,352
Other salaries for instruction	39,768		39,768	34,456	5,312
General supplies	1,000		1,000		1,000
<b>Total preschool disabilities - full time</b>	<b>101,363</b>		<b>101,363</b>	<b>87,699</b>	<b>13,664</b>
<b>Total Special Education - Instruction</b>	<b>1,233,354</b>		<b>1,233,354</b>	<b>1,118,713</b>	<b>114,641</b>
Basic Skills/Remedial - Instruction					
Salaries of teachers	116,080		116,080	112,702	3,378
General supplies	4,000		4,000	3,443	557
<b>Total basic skills/remedial - instruction</b>	<b>120,080</b>		<b>120,080</b>	<b>116,145</b>	<b>3,935</b>
School Sponsored Cocurricular Activities - Instruc.					
Salaries	8,000	5,172	13,172	13,172	
School Sponsored Athletics - Instruc.					
Salaries	14,000	(5,172)	8,828	8,421	407
Purchased services	2,000		2,000	2,000	
Other objects	12,700		12,700	4,174	8,526
<b>Total school sponsored athletics - instruc</b>	<b>28,700</b>	<b>(5,172)</b>	<b>23,528</b>	<b>14,595</b>	<b>8,933</b>
<b>Total Instruction</b>	<b>4,364,223</b>	<b>(82,846)</b>	<b>4,281,377</b>	<b>3,995,322</b>	<b>286,055</b>

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

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**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2016**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Undistributed Expenditures - Instruction</b>					
Tuition to other LEAs within the state - reg.	\$ 3,002,395	\$ (8,448)	\$ 2,993,947	\$ 2,993,947	\$ -
Tuition to other LEAs within the state - spec	405,525	79,888	485,413	485,413	
Tuition to County Voc. School Districts - reg.	30,000	1,889	31,889	30,000	1,889
Tuition to County Voc. School Districts - spec.	30,000	(3,300)	26,700	25,368	1,332
Tuition to CSSD & Reg. Day Schools	35,000	11,460	46,460	46,460	
Tuition to priv. sch. for the disabled in state	164,601	(60,173)	104,428	94,841	9,587
Tuition - state facilities	50,005		50,005	50,005	
Tuition - other	27,000	(6,564)	20,436	11,636	8,800
<b>Total undistributed expenditures - instruction</b>	<b>3,744,526</b>	<b>14,752</b>	<b>3,759,278</b>	<b>3,737,670</b>	<b>21,608</b>
<b>Attendance and Social Work Services:</b>					
Salaries	23,814		23,814	15,866	7,948
<b>Total attendance and social work services</b>	<b>23,814</b>		<b>23,814</b>	<b>15,866</b>	<b>7,948</b>
<b>Health Services:</b>					
Salaries	184,800		184,800	164,404	20,396
Purchased professional and technical services	750	7,640	8,390	8,390	
Other purchased services	600	(350)	250	239	11
Supplies and materials	5,500	(1,843)	3,657	3,107	550
Other objects	1,250	(82)	1,168	1,168	
<b>Total health services</b>	<b>192,900</b>	<b>5,365</b>	<b>198,265</b>	<b>177,308</b>	<b>20,957</b>
<b>Speech, OT, PT &amp; Related Services:</b>					
Salaries	137,330		137,330	114,156	23,174
Purchased professional - educational services	40,000	29,279	69,279	68,320	959
Supplies and materials	2,400		2,400	2,266	134
<b>Total speech, ot, pt &amp; related services</b>	<b>179,730</b>	<b>29,279</b>	<b>209,009</b>	<b>184,742</b>	<b>24,267</b>
<b>Other Support Services Student - Extra. Serv.</b>					
Salaries	57,468	(57,468)			
Purchased professional - educational services	130,000	40,584	170,584	169,499	1,085
<b>Total other support services student - extra. serv.</b>	<b>187,468</b>	<b>(16,884)</b>	<b>170,584</b>	<b>169,499</b>	<b>1,085</b>
<b>Guidance:</b>					
Salaries of other professional staff	64,015		64,015	63,769	246
Supplies and materials	700	(338)	362	329	33
<b>Total guidance</b>	<b>64,715</b>	<b>(338)</b>	<b>64,377</b>	<b>64,098</b>	<b>279</b>

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

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**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2016**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Child Study Teams:					
Salaries of other professional staff	\$ 302,431	\$ -	\$ 302,431	\$ 285,080	\$ 17,351
Salaries of secretarial and clerical assistants	42,193		42,193	42,193	
Purchased professional - educational services	18,180	(5,367)	12,813	12,386	427
Other purchased services	3,000	(75)	2,925	2,114	811
Supplies and materials	12,000		12,000	9,203	2,797
<b>Total child study teams</b>	<b>377,804</b>	<b>(5,442)</b>	<b>372,362</b>	<b>350,976</b>	<b>21,386</b>
Improvement of Instructional Services:					
Salaries of supervisors of instruction	84,872		84,872	77,799	7,073
Other purchased services	200		200		200
<b>Total improvement of instructional services</b>	<b>85,072</b>		<b>85,072</b>	<b>77,799</b>	<b>7,273</b>
Educational Media Services/School Library:					
Salaries	69,679		69,679	56,515	13,164
Purchased professional and technical services	1,000		1,000	360	640
Supplies and materials	1,900		1,900	665	1,235
<b>Total educational media services/school library</b>	<b>72,579</b>		<b>72,579</b>	<b>57,540</b>	<b>15,039</b>
Instructional Staff Training Services:					
Purchased professional - educational services	1,000	300	1,300	1,300	
Other purchased services	10,000	(300)	9,700	8,728	972
<b>Total instructional staff training services</b>	<b>11,000</b>		<b>11,000</b>	<b>10,028</b>	<b>972</b>
General Administration:					
Salaries	161,560		161,560	157,012	4,548
Legal services	15,000		15,000	6,507	8,493
Audit fees	25,000		25,000	25,000	
Architectural/Engineering Services	5,000		5,000	2,486	2,514
Purchased technical services	4,500		4,500		4,500
Communications / telephone	32,000		32,000	11,859	20,141
BOE other purchased services	1,000		1,000	880	120
Other purchased services	15,000		15,000	6,997	8,003
Supplies and materials	2,000		2,000	2,000	
BOE In-House Training/Meeting supplies	1,000		1,000	101	899
Miscellaneous expenditures	10,000		10,000	6,124	3,876
BOE membership dues and fees	8,000		8,000	7,090	910
<b>Total general administration</b>	<b>280,060</b>		<b>280,060</b>	<b>226,056</b>	<b>54,004</b>

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

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**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2016**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>School Administration:</b>					
Salaries of principals/assist. principals	\$ 91,085	\$ -	\$ 91,085	\$ 88,001	\$ 3,084
Salaries of secretarial and clerical assistants	65,076	5,068	70,144	70,144	
Other purchased services	1,100		1,100	673	427
Supplies and materials	9,500	(5,068)	4,432	583	3,849
Other objects	4,000		4,000		4,000
<b>Total school administration</b>	<b>170,761</b>		<b>170,761</b>	<b>159,401</b>	<b>11,360</b>
<b>Central Services:</b>					
Salaries	108,356	1,837	110,193	110,193	
Purchased technical services	23,200	2,211	25,411	25,410	1
Misc. purchased services	3,000	(2,211)	789	70	719
Supplies and materials	7,500	(1,837)	5,663	2,215	3,448
Other objects	3,200		3,200	2,591	609
<b>Total central services</b>	<b>145,256</b>		<b>145,256</b>	<b>140,479</b>	<b>4,777</b>
<b>Administrative Information Technology:</b>					
Salaries	61,209	4,744	65,953	65,953	
Purchased technical services	51,800	(4,744)	47,056	43,044	4,012
Other purchased services	1,000		1,000		1,000
Supplies and materials	26,000		26,000	15,554	10,446
<b>Total admin. information technology</b>	<b>140,009</b>		<b>140,009</b>	<b>124,551</b>	<b>15,458</b>
<b>Required Maintenance School Facilities:</b>					
Salaries	53,488		53,488	47,577	5,911
Cleaning, repair and maintenance services	85,500	(3,000)	82,500	65,697	16,803
General supplies	13,300		13,300	13,300	
<b>Total required maintenance school facilities</b>	<b>152,288</b>	<b>(3,000)</b>	<b>149,288</b>	<b>126,574</b>	<b>22,714</b>
<b>Custodial Services:</b>					
Salaries	246,568	29,524	276,092	275,709	383
Salaries of Non-Instructional Aides	31,954	10,095	42,049	42,049	
Purchased prof. and technical services	9,000	(880)	8,120	6,186	1,934
Cleaning, repair and maintenance services	9,500	3,800	13,300	12,084	1,216
Other purchased property services	21,000	(5,000)	16,000	15,943	57
Insurance	64,250	176	64,426	62,526	1,900
General Supplies	20,000	2,824	22,824	22,701	123
Energy (Electricity)	124,000	(30,297)	93,703	59,486	34,217
Energy (Gasoline)	1,500		1,500	1,250	250
Energy (Natural Gas)	110,000	(15,595)	94,405	74,154	20,251
<b>Total custodial services</b>	<b>637,772</b>	<b>(5,353)</b>	<b>632,419</b>	<b>572,088</b>	<b>60,331</b>
<b>Care and Upkeep of Grounds:</b>					
Purchased prof. and technical services	3,000	7,833	10,833	10,833	
Cleaning, repair and maintenance services	1,000	(933)	67		67
General Supplies	2,250	(360)	1,890	1,184	706
<b>Total care and upkeep of grounds</b>	<b>6,250</b>	<b>6,540</b>	<b>12,790</b>	<b>12,017</b>	<b>773</b>
<b>Security:</b>					
Purchased prof. and technical services	12,000	1,040	13,040	13,034	6
<b>Total operation &amp; maint. of plant services</b>	<b>808,310</b>	<b>(773)</b>	<b>807,537</b>	<b>723,713</b>	<b>83,824</b>

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

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**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2016**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Student Transportation Services:</b>					
Management fee - ESC Transp. programs	\$ 6,000	\$ 1,122	\$ 7,122	\$ 7,122	\$ -
Contr. serv. (between home & sch) - vendor	281,000	2,956	283,956	283,956	
Contr. serv. (not between home & sch) - vendor	5,600	775	6,375	5,775	600
Contr. Serv. (Regular Students) - ESC	50,000	(6,500)	43,500	42,705	795
Contr. Serv. (Spl. Ed. Students) - ESC	90,000	(6,322)	83,678	83,138	540
Contr. Serv. - Aid in Lieu of Payments - nonpublic	10,000	31,478	41,478	40,085	1,393
Contr. Serv. - Aid in Lieu of Payments - charter sch	884		884		884
Contr. Serv. - Aid in Lieu of Payments - choice sch	4,420	(4,420)			
<b>Total student transportation services</b>	<b>447,904</b>	<b>19,089</b>	<b>466,993</b>	<b>462,781</b>	<b>4,212</b>
<b>Unallocated Benefits - Employee Benefits:</b>					
Social security contributions	100,000	(22,678)	77,322	76,850	472
Other retirement contributions - PERS	100,000	(11,200)	88,800	83,897	4,903
Other retirement contributions - regular					
Unemployment compensation	25,000	(15,000)	10,000	7,297	2,703
Workmen's compensation	80,000		80,000	62,175	17,825
Health benefits	1,500,000	(11,718)	1,488,282	1,443,739	44,543
Tuition reimbursement	13,000	(700)	12,300	12,300	
Unused Sick Payment to Term/Retired Staff		31,787	31,787	31,787	
Other employee benefits	38,000	(787)	37,213	30,842	6,371
<b>Total unallocated benefits - employee benefits</b>	<b>1,856,000</b>	<b>(30,296)</b>	<b>1,825,704</b>	<b>1,748,887</b>	<b>76,817</b>
On-behalf TPAF pension contr. (non-budgeted)				344,558	(344,558)
On-behalf Post Retirement Medical (non-budgeted)				410,273	(410,273)
Reimbursed TPAF social security contr. (non-budgeted)				326,869	(326,869)
<b>Total Undistributed Expenditures</b>	<b>8,787,908</b>	<b>14,752</b>	<b>8,802,660</b>	<b>9,513,094</b>	<b>(710,434)</b>
<b>Total General Current Expense</b>	<b>13,152,131</b>	<b>(68,094)</b>	<b>13,084,037</b>	<b>13,508,416</b>	<b>(424,379)</b>
<b>CAPITAL OUTLAY:</b>					
<b>Facilities Acquisition and Constr. Services:</b>					
Assessment for Debt Service on SDA Funding	21,123		21,123	21,123	
<b>Total facilities acq. and constr. services</b>	<b>21,123</b>		<b>21,123</b>	<b>21,123</b>	
<b>Assets acquired under capital leases (non-budgeted):</b>					
Equipment				50,616	(50,616)
<b>Total facilities acq. and constr. services</b>				<b>50,616</b>	<b>(50,616)</b>
<b>Total Capital Outlay</b>	<b>21,123</b>		<b>21,123</b>	<b>71,739</b>	<b>(50,616)</b>
<b>Transfer to Charter Schools</b>		<b>68,094</b>	<b>68,094</b>	<b>68,094</b>	
<b>TOTAL EXPENDITURES</b>	<b>13,173,254</b>		<b>13,173,254</b>	<b>13,648,249</b>	<b>(474,995)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures:</b>	<b>(292,056)</b>		<b>(292,056)</b>	<b>443,448</b>	<b>735,504</b>

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

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**BARRINGTON SCHOOL DISTRICT  
Required Supplementary Information  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2016**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources:					
Proceeds of Capital Lease	\$ -	\$ -	\$ -	\$ 50,616	\$ 50,616
Capital projects transfer to Capital Reserve				2,945	2,945
<b>Total Other Financing Sources</b>				<u>53,561</u>	<u>53,561</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	\$ (292,056)	\$ -	\$ (292,056)	\$ 497,009	789,065.00
Fund Balance - July 1, 2015	<u>1,475,610</u>		<u>1,475,610</u>	<u>1,475,610</u>	
Fund Balance - June 30, 2016	<u>\$ 1,183,554</u>	<u>\$ -</u>	<u>\$ 1,183,554</u>	<u>\$ 1,972,619</u>	<u>\$ 789,065</u>
 Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Capital reserve				\$ 437,275	
Tuition reserve - current year				320,000	
Tuition reserve - prior year				320,000	
Maintenance reserve				200,000	
Emergency reserve				200,000	
Assigned Fund Balance:					
Designated for subsequent year's expenditures				199,010	
Unassigned Fund Balance				<u>296,334</u>	
				1,972,619	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				<u>(303,896)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 1,668,723</u>	

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

**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2016**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
State sources	\$ 82,107	\$ -	\$ 82,107	\$ 52,759	\$ (29,348)
Federal sources	285,000	138,120	423,120	420,573	(2,547)
<b>Total Revenues</b>	<b>367,107</b>	<b>138,120</b>	<b>505,227</b>	<b>473,332</b>	<b>(31,895)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	95,000	10,475	105,475	105,475	-
Purchased professional - educ. services	42,091	-	42,091	17,716	24,375
Purchased professional - tech services		1,363	1,363		1,363
Tuition	190,000	82,177	272,177	272,177	-
Other purchased services	18,180	-	18,180	17,998	182
Textbooks	11,534	-	11,534	8,672	2,862
General supplies	10,302	11,917	22,219	20,289	1,930
<b>Total Instruction</b>	<b>367,107</b>	<b>105,932</b>	<b>473,039</b>	<b>442,327</b>	<b>30,712</b>
Support Services:					
Salaries of other professional staff		-			-
Personal services - employee benefits		26,856	26,856	26,305	551
Purchased professional - tech services		632	632	-	632
Travel		-		-	-
<b>Total Support Services</b>	<b>-</b>	<b>27,488</b>	<b>27,488</b>	<b>26,305</b>	<b>1,183</b>
Facilities Acquisition and Construction Services:					
Instructional equipment		4,700	4,700	4,700	-
<b>Total Facilities Acq. and Const. Services</b>	<b>-</b>	<b>4,700</b>	<b>4,700</b>	<b>4,700</b>	<b>-</b>
<b>Total Expenditures</b>	<b>367,107</b>	<b>138,120</b>	<b>505,227</b>	<b>473,332</b>	<b>31,895</b>
<b>Total Outflows</b>	<b>367,107</b>	<b>138,120</b>	<b>505,227</b>	<b>473,332</b>	<b>31,895</b>
Excess (Deficiency) of Revenues over (under) Expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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



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

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 14,091,697	\$ 473,332
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	301,361	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(303,896)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 14,089,162	\$ 473,332
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 13,648,249	\$ 473,332
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.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 13,648,249	\$ 473,332

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

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

	June 30, 2016	June 30, 2015	June 30, 2014
District's proportionate share of the net pension liability (asset)	0.0097681625%	0.0093361653%	0.0090908901%
District's proportionate share of the net pension liability (asset)	\$ 2,192,757	\$ 1,747,985	\$ 1,737,450
District's covered-employee payroll	674,631	666,509	648,986
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	325.03%	262.26%	267.72%
Plan fiduciary net position as a percentage of the total pension liability	38.21%	42.74%	40.71%

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

**BARRINGTON SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the District's Contributions**  
**Public Employees Retirement System**  
**Last Three Fiscal Years**

	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 89,913	\$ 83,980	\$ 76,966
Contributions in relation to the contractually required contributions	<u>(89,913)</u>	<u>(83,980)</u>	<u>(76,966)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 674,631	\$ 666,509	\$ 648,986
Contributions as a percentage of covered-employee payroll	13.33%	12.60%	11.86%

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

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

	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0398964849%	0.0394278417%	0.0414913849%
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>\$ 25,216,282</u>	<u>\$ 21,072,898</u>	<u>\$ 20,969,420</u>
<b>Total</b>	<u><u>\$ 25,216,282</u></u>	<u><u>\$ 21,072,898</u></u>	<u><u>\$ 20,969,420</u></u>
District's covered-employee payroll	\$ 4,602,687	\$ 4,503,664	\$ 4,382,275
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	28.71%	33.64%	33.76%

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

**Barrington School District**  
**Notes to Required Supplementary Information**  
**Pension Schedules**  
**For the Fiscal Year Ended June 30, 2016**

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

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

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

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

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

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

Other Supplementary Information

Special Revenue Fund



**BARRINGTON SCHOOL DISTRICT**  
**Special Revenue Fund**  
 Combining Statement of Revenues and Expenditures  
 Budgetary Basis  
 for the Fiscal Year ended June 30, 2016

	Nonpublic Handicap Services		Nonpublic Nursing	Nonpublic Technology	Nonpublic Security	Individuals with Disabilities Act		Race to the Top Ed Connect	No Child Left Behind		Total
	Exam, & Classification	Nonpublic Textbooks				Basic	Preschool		Title I	Title II	
<b>REVENUES:</b>											
State sources	\$ 17,716	\$ 8,672	\$ 17,998	\$ 4,746	\$ 3,627	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,759
Federal sources						272,177	11,707	16,616	110,431	9,642	420,573
<b>Total revenues</b>	<b>\$ 17,716</b>	<b>\$ 8,672</b>	<b>\$ 17,998</b>	<b>\$ 4,746</b>	<b>\$ 3,627</b>	<b>\$ 272,177</b>	<b>\$ 11,707</b>	<b>\$ 16,616</b>	<b>\$ 110,431</b>	<b>\$ 9,642</b>	<b>\$ 473,332</b>
<b>EXPENDITURES:</b>											
<u>Instruction:</u>											
Salaries of teachers							9,291		88,094	8,090	105,475
Purchased professional educational services	17,716										17,716
Tuition						272,177					272,177
Other purchased services			17,998								17,998
Textbooks		8,672									8,672
General Supplies				4,746	3,627			11,916			20,289
<b>Total instruction</b>	<b>17,716</b>	<b>8,672</b>	<b>17,998</b>	<b>4,746</b>	<b>3,627</b>	<b>272,177</b>	<b>9,291</b>	<b>11,916</b>	<b>88,094</b>	<b>8,090</b>	<b>442,327</b>
<u>Support services:</u>											
Personal services-employee benefits							2,416		22,337	1,552	26,305
Purchased professional technical services											-
Travel											-
<b>Total support services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,416</b>	<b>-</b>	<b>22,337</b>	<b>1,552</b>	<b>26,305</b>
<u>Facilities acquisition &amp; construction services</u>											
Instructional equipment								4,700			4,700
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>4,700</b>	<b>-</b>	<b>-</b>	<b>4,700</b>
<b>Total expenditures</b>	<b>\$ 17,716</b>	<b>\$ 8,672</b>	<b>\$ 17,998</b>	<b>\$ 4,746</b>	<b>\$ 3,627</b>	<b>\$ 272,177</b>	<b>\$ 11,707</b>	<b>\$ 16,616</b>	<b>\$ 110,431</b>	<b>\$ 9,642</b>	<b>\$ 473,332</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Capital Projects Fund

**BARRINGTON SCHOOL DISTRICT  
Capital Projects Fund  
Summary Statement of Revenues, Expenditures,  
and Changes in Fund Balance - Budgetary Basis  
For the Fiscal Year ended June 30, 2016**

**Revenues and Other Financing Sources:**

State sources - SDA Grant	\$ -
Transfer from Capital Reserve	-
Total revenues and other financing sources	-

**Expenditures and Other Financing (Uses):**

Professional services	
Construction services	
Transfer to Capital Reserve	2,945
Total expenditures and other financing (uses)	2,945

Excess (deficiency) or revenues over (under) expenditures	(2,945)
-----------------------------------------------------------	---------

Fund Balance - July 1, 2015	2,945
-----------------------------	-------

Fund Balance - June 30, 2016	\$ -
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**BARRINGTON SCHOOL DISTRICT  
Capital Projects Fund  
Statement of Project Revenues, Expenditures, Project Balance,  
and Project Status - Budgetary Basis  
Woodland Elementary School - Various Improvements  
From Inception and for the Fiscal Year ended June 30, 2016**

	<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 - SDA Grant	\$ 191,950	\$ -	\$ 191,950	\$ 191,950
Transfer from Capital Reserve	278,400	-	278,400	278,400
<b>Total revenues</b>	<b>470,350</b>	<b>-</b>	<b>470,350</b>	<b>470,350</b>
<b>Expenditures and Other Financing Uses:</b>				
Purchased professional services	40,808	-	40,808	40,808
Construction services	426,597	-	426,597	426,597
Transfer to Capital Reserve		2,945	2,945	2,945
	<b>467,405</b>	<b>2,945</b>	<b>470,350</b>	<b>470,350</b>
<b>Excess (deficiency) or revenues over (under) expenditures</b>	<b>\$ 2,945</b>	<b>\$ (2,945)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Additional project information:</b>				
Project Number	0190-030-14-1002			
Grant Date	08/20/14			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 470,350			
Additional Authorized Cost				
Revised Authorized Cost	\$ 470,350			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original target completion date	06/30/15			
Revised target completion date	06/30/15			

Proprietary Funds

**BARRINGTON SCHOOL DISTRICT**  
**Enterprise Funds**  
**Combining Statement of Net Position**  
**June 30, 2016**

	<u>Food Service Fund</u>
<b>ASSETS:</b>	
Current Assets:	
Cash and cash equivalents	\$ 41,518
Accounts receivable:	
State	122
Federal	5,049
Inventories	<u>2,678</u>
Total Current Assets	<u>49,367</u>
Noncurrent Assets:	
Equipment	62,900
Less - accumulated depreciation	<u>(51,823)</u>
Total Noncurrent Assets	<u>11,077</u>
Total Assets	<u>\$ 60,444</u>
 <b>LIABILITIES:</b>	
Current Liabilities:	
Accounts Payable	\$ -
Unearned Revenue	<u>2,386</u>
Total Current Liabilities	<u>2,386</u>
 <b>NET POSITION:</b>	
Invested in capital assets	11,077
Unrestricted	<u>46,981</u>
Total Net Position	<u>\$ 58,058</u>

**BARRINGTON SCHOOL DISTRICT**  
**Enterprise Funds**  
**Statement of Revenues, Expenses**  
**and Changes in Fund Net Position**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Food Service Fund</u>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily sales reimbursable programs:	
School lunch	\$ 63,105
School breakfast	3,506
Daily sales non-reimbursable programs	
Adult and a la carte sales	49,689
Miscellaneous	<u>7,013</u>
Total Operating Revenues	<u>123,313</u>
<b>OPERATING EXPENSES:</b>	
Salaries and fringe benefits	95,570
Supplies and materials	7,748
Management fee	16,390
Other costs	26,185
Depreciation	1,006
Cost of Sales - reimbursable programs	48,585
Cost of Sales - non-reimbursable programs	<u>41,388</u>
Total Operating Expenses	<u>236,872</u>
Operating Income (Loss)	<u>(113,559)</u>
<b>Non-Operating Revenues:</b>	
State sources:	
State school lunch program	2,048
Federal sources:	
National school lunch program	66,185
School breakfast program	12,942
Food distribution program	16,736
Local sources:	
Interest earned	<u>21</u>
Total Non-Operating Revenues	<u>97,932</u>
Income (Loss) before Contributions and Transfers	(15,627)
Operating Transfers In	<u>          </u>
Change in Net Position	(15,627)
Net Position - July 1, 2015	<u>73,685</u>
Net Position - June 30, 2016	<u>\$ 58,058</u>

**BARRINGTON SCHOOL DISTRICT**  
**Enterprise Funds**  
**Combining Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Food Service Fund</u>
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from customers	\$ 122,714
Cash payments to employees for services	(95,570)
Cash payments to suppliers for goods and services	<u>(134,158)</u>
Net cash provided by (used for) operating activities	<u>(107,014)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>	
Cash received from state sources	2,035
Cash received from federal sources	<u>95,297</u>
Net cash provided by noncapital financing activities	<u>97,332</u>
<b>Cash Flows Used by Capital and Related Financing Activities:</b>	
Purchase of equipment	<u>                    </u>
<b>Cash Flow Provided by Investing Activities:</b>	
Interest on cash equivalents	<u>21</u>
Net increase (decrease) in cash and cash equivalents	(9,661)
Cash and Cash Equivalents - July 1, 2015	<u>51,179</u>
Cash and Cash Equivalents - June 30, 2016	<u>\$ 41,518</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash provided by (used for)</b>	
<b>Operating Activities:</b>	
Operating income (loss)	\$ (113,559)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Depreciation	1,006
Change in assets and liabilities:	
(Increase) decrease in inventories	7,252
Increase (decrease) in accounts payable	(1,116)
Increase (decrease) in unearned revenue	<u>(597)</u>
Net cash provided by (used for) operating activities	<u>\$ (107,014)</u>
<b>Noncash Noncapital Financing Activities:</b>	
During the year the District received \$16,736 of food commodities from the U.S. Department of Agriculture.	



Fiduciary Funds

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

	<b>Trust Funds</b>		<b>Agency Funds</b>		
	<b>Unemployment Compensation Trust</b>	<b>Flexible Benefits Trust</b>	<b>Student Activity</b>	<b>Payroll</b>	<b>Total</b>
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 8,437	\$ 2,254	\$ 17,390	\$ -	\$ 28,081
Accounts Receivable				8,502	8,502
<b>Total Assets</b>	<b>\$ 8,437</b>	<b>\$ 2,254</b>	<b>\$ 17,390</b>	<b>\$ 8,502</b>	<b>\$ 36,583</b>
 <b>LIABILITIES:</b>					
Liabilities:					
Cash Overdraft	\$ -	\$ -	\$ -	\$ 2,704	\$ 2,704
Accounts Payable	2,958				2,958
Interfund Payable				5,798	5,798
Due to Student Groups			17,390		17,390
<b>Total Liabilities</b>	<b>2,958</b>		<b>\$ 17,390</b>	<b>\$ 8,502</b>	<b>28,850</b>
 <b>NET POSITION:</b>					
Held in Trust for Payment of Claims	5,479	2,254			7,733
<b>Total Net Position</b>	<b>\$ 5,479</b>	<b>\$ 2,254</b>			<b>\$ 7,733</b>

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

	<b>Unemployment Compensation Trust Fund</b>	<b>Flexible Benefits Trust Fund</b>
	<u>          </u>	<u>          </u>
<b>ADDITIONS:</b>		
Contributions	\$ 16,572	\$ 13,050
Interest on Investments	<u>          1</u>	<u>          </u>
Total Additions	<u>16,573</u>	<u>13,050</u>
<b>DEDUCTIONS:</b>		
Claims paid	15,351	11,973
Total Deductions	<u>15,351</u>	<u>11,973</u>
Change in Net Position	1,222	1,077
Net Position-- July 1, 2015	<u>4,257</u>	<u>1,177</u>
Net Position -- June 30, 2016	<u>\$ 5,479</u>	<u>\$ 2,254</u>

**BARRINGTON SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Student Activity Agency Fund Schedule of Receipts and Disbursements**  
**for the Fiscal Year ended June 30, 2016**

	<u>Balance July 1, 2015</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Accounts Payable</u>	<u>Balance June 30, 2016</u>
Avon School	\$ 2,845	\$ 17,178	\$ 9,529	\$ -	\$ 10,494
Woodland School	3,059	22,307	18,470		6,896
<b>Total all schools</b>	<u>\$ 5,904</u>	<u>\$ 39,485</u>	<u>\$ 27,999</u>	<u>\$ -</u>	<u>\$ 17,390</u>

**BARRINGTON SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Payroll Agency Fund Schedule of Receipts and Disbursements**  
**for the Fiscal Year ended June 30, 2016**

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 3,851	\$ 6,014,900	\$ 6,018,751	\$ -
Accounts Receivable		8,502		8,502
Total Assets	<u>\$ 3,851</u>	<u>\$ 6,023,402</u>	<u>\$ 6,018,751</u>	<u>\$ 8,502</u>
 <b>LIABILITIES:</b>				
Cash Overdraft	\$ -	\$ 2,704	\$ -	\$ 2,704
Net payroll	-	3,130,177	3,130,177	-
Interfund Payable		5,798		5,798
Payroll deductions and withholdings	<u>3,851</u>	<u>2,884,723</u>	<u>2,888,574</u>	<u>-</u>
Total Liabilities	<u>\$ 3,851</u>	<u>\$ 6,023,402</u>	<u>\$ 6,018,751</u>	<u>\$ 8,502</u>

## Long-Term Debt Schedules

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

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance July 1, 2015</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2016</u>
			<u>Date</u>	<u>Amount</u>					
Series 2012 Refunding Bonds	12/19/12	\$ 5,030,000	4/01/17	\$ 255,000	3.000%	\$ 4,770,000	\$ -	\$ 245,000	\$ 4,525,000
			4/01/18	270,000	3.000%				
			4/01/19	285,000	3.000%				
			4/01/20	295,000	4.000%				
			4/01/21	315,000	4.000%				
			4/01/22	325,000	4.000%				
			4/01/23	345,000	4.000%				
			4/01/24	370,000	4.000%				
			4/01/25	385,000	4.000%				
			4/01/26	405,000	4.000%				
			4/01/27	425,000	4.000%				
			4/01/28	425,000	4.000%				
			4/01/29	425,000	4.000%				
						<u>\$ 4,770,000</u>	<u>\$ -</u>	<u>\$ 245,000</u>	<u>\$ 4,525,000</u>

**BARRINGTON SCHOOL DISTRICT**  
**Statement of Obligations Under Capital Leases**  
**For the Fiscal Year Ended June 30, 2016**

Series	Date of Lease	Maturity Date	Interest Rate	Amount of Original Issue		Amount Outstanding July 1, 2015	Issued	Retired	Amount Outstanding June 30, 2016
				Principal	Interest				
VOIP Phone System	08/11/11	08/11/15	5.75%	\$ 8,620	\$ 1,033	\$ 160	\$ -	\$ 160	\$ -
Phone System	12/21/15	07/01/20	4.02%	50,616	5,262		50,616		50,616
						<u>\$ 160</u>	<u>\$ 50,616</u>	<u>\$ 160</u>	<u>\$ 50,616</u>



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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 425,250	\$ -	\$ 425,250	\$ 425,250	\$ -
<b>Total Revenues</b>	<u>425,250</u>		<u>425,250</u>	<u>425,250</u>	
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest on Bonds	180,250		180,250	180,250	
Principal on Bonds	245,000		245,000	245,000	-
<b>Total Expenditures</b>	<u>425,250</u>		<u>425,250</u>	<u>425,250</u>	
Excess (Deficiency) of revenues over (under) expenditures					
Other Financing Sources:					
Transfers from other funds					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):					
Fund Balance - July 1, 2015					
Fund Balance - June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Statistical Section**

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

J-1

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 3,625,879	\$ 2,876,484	\$ 2,831,996	\$ 3,488,688	\$ 3,498,016	\$ 3,082,076	\$ 3,106,894	\$ 3,042,304	\$ 998,793	\$ 690,191
Restricted for:										
Capital projects	339,093	277,962	238,213	382,311	381,021	520,226	313,731	314,071	234,024	437,275
Debt service	113,460	165,418	83,958	826	1,023	197	38,216	38,216	-	-
Special revenue	-	-	-	27,297	21,333	-	-	-	-	-
Other purposes	1,601,426	2,395,448	3,016,686	1,790,833	849,692	657,692	1,047,096	1,011,666	972,056	1,239,010
Unrestricted	(47,056)	(32,887)	(180,417)	(166,615)	(108,583)	(246,700)	(177,829)	(227,737)	(1,906,403)	(1,937,859)
<b>Total governmental activities net position</b>	<u>\$ 5,632,802</u>	<u>\$ 5,682,425</u>	<u>\$ 5,990,436</u>	<u>\$ 5,523,340</u>	<u>\$ 4,642,502</u>	<u>\$ 4,013,491</u>	<u>\$ 4,328,108</u>	<u>\$ 4,178,520</u>	<u>\$ 298,470</u>	<u>\$ 428,617</u>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 48,671	\$ 57,387	\$ 43,325	\$ 36,294	\$ 29,263	\$ 16,596	\$ 9,958	\$ 16,623	\$ 12,083	\$ 11,077
Unrestricted	53,774	47,429	56,961	68,308	64,874	67,642	69,098	46,761	61,602	46,981
<b>Total business-type activities net position</b>	<u>\$ 102,445</u>	<u>\$ 104,816</u>	<u>\$ 100,286</u>	<u>\$ 104,602</u>	<u>\$ 94,137</u>	<u>\$ 84,238</u>	<u>\$ 79,056</u>	<u>\$ 63,384</u>	<u>\$ 73,685</u>	<u>\$ 58,058</u>
<b>District-wide:</b>										
Net investment in capital assets	\$ 3,674,550	\$ 2,933,871	\$ 2,875,321	\$ 3,524,982	\$ 3,527,279	\$ 3,098,672	\$ 3,116,852	\$ 3,058,927	\$ 1,010,876	\$ 701,268
Restricted:										
Capital projects	339,093	277,962	238,213	382,311	381,021	520,226	313,731	314,071	234,024	437,275
Debt service	113,460	165,418	83,958	826	1,023	197	38,216	38,216	-	-
Special revenue	-	-	-	27,297	21,333	-	-	-	-	-
Other purposes	1,601,426	2,395,448	3,016,686	1,790,833	849,692	657,692	1,047,096	1,011,666	972,056	1,239,010
Unrestricted	6,718	14,542	(123,456)	(98,307)	(43,709)	(179,058)	(108,731)	(180,976)	(1,844,801)	(1,890,878)
<b>Total district net position</b>	<u>\$ 5,735,247</u>	<u>\$ 5,787,241</u>	<u>\$ 6,090,722</u>	<u>\$ 5,627,942</u>	<u>\$ 4,736,639</u>	<u>\$ 4,097,729</u>	<u>\$ 4,407,164</u>	<u>\$ 4,241,904</u>	<u>\$ 372,155</u>	<u>\$ 486,675</u>

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Expenses:</b>										
<b>Governmental activities:</b>										
<b>Instruction:</b>										
Regular	\$ 2,618,270	\$ 2,800,749	\$ 2,964,105	\$ 3,227,596	\$ 3,075,513	\$ 2,356,419	\$ 2,767,185	\$ 2,826,277	\$ 3,634,351	\$ 3,279,189
Special education	685,475	704,224	666,103	912,498	875,724	1,253,984	1,167,771	1,275,374	1,160,139	1,400,181
Other instruction	139,183	185,749	163,770	121,054	114,440	132,951	129,602	128,154	149,707	143,912
<b>Support Services:</b>										
Tuition	3,974,470	4,488,479	4,712,138	5,315,449	5,356,679	4,849,768	3,968,660	4,204,377	3,739,380	3,737,670
Student & instruction related services	1,141,360	1,056,512	1,015,097	1,112,276	974,562	1,006,425	911,637	887,788	1,044,259	1,134,161
School administrative services	196,000	241,820	243,180	233,613	232,984	242,768	221,099	167,302	187,326	159,401
General and business administrative services	552,690	533,826	624,892	491,402	438,662	418,260	363,212	514,319	541,394	548,194
Plant operations and maintenance	620,402	688,279	705,217	715,660	633,014	734,569	501,324	722,348	1,214,681	749,376
Pupil transportation	516,015	528,241	439,960	503,433	395,754	385,491	415,007	463,689	449,777	462,781
Unallocated employee benefits	1,853,109	1,874,877	1,575,531	1,667,956	1,727,132	2,023,740	2,360,090	2,241,382	2,472,777	2,899,324
Transfer to Charter School				25,165	41,726		8,347	35,055	5,571	68,094
Interest on long-term debt	407,065	370,177	275,760	264,756	254,181	246,381	181,865	196,250	187,450	161,100
Unallocated depreciation	17,775	43,890	43,888	43,889	43,890	310,297	286,687	296,561	97,417	114,214
<b>Total governmental activities expenses</b>	<b>12,721,814</b>	<b>13,516,823</b>	<b>13,429,641</b>	<b>14,634,747</b>	<b>14,164,261</b>	<b>13,961,053</b>	<b>13,282,486</b>	<b>13,958,676</b>	<b>14,884,229</b>	<b>14,857,597</b>
<b>Business-type activities:</b>										
Food service	176,399	174,882	176,020	182,806	186,009	205,550	211,842	216,298	202,067	236,872
<b>Total business-type activities expense</b>	<b>176,399</b>	<b>174,882</b>	<b>176,020</b>	<b>182,806</b>	<b>186,009</b>	<b>205,550</b>	<b>211,842</b>	<b>216,298</b>	<b>202,067</b>	<b>236,872</b>
<b>Total district expenses</b>	<b>\$ 12,898,213</b>	<b>\$ 13,691,705</b>	<b>\$ 13,605,661</b>	<b>\$ 14,817,553</b>	<b>\$ 14,350,270</b>	<b>\$ 14,166,603</b>	<b>\$ 13,494,328</b>	<b>\$ 14,175,174</b>	<b>\$ 15,086,296</b>	<b>\$ 15,094,469</b>
<b>Program Revenues:</b>										
<b>Governmental activities:</b>										
Operating grants and contributions	\$ 1,411,366	\$ 1,582,810	\$ 1,112,922	\$ 1,216,402	\$ 1,024,704	\$ 1,045,161	\$ 1,296,205	\$ 1,141,282	\$ 1,483,956	\$ 1,555,032
Charges for services - Tuition		28,474								26,946
Capital grants and contributions										
<b>Total governmental activities program revenues</b>	<b>1,411,366</b>	<b>1,611,284</b>	<b>1,112,922</b>	<b>1,216,402</b>	<b>1,024,704</b>	<b>1,045,161</b>	<b>1,296,205</b>	<b>1,141,282</b>	<b>1,483,956</b>	<b>1,581,978</b>

(Continued)

(Continued)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Business-type activities:</b>										
Charges for services:										
Food service	\$ 122,111	\$ 116,649	\$ 125,399	\$ 120,077	\$ 107,730	\$ 110,915	\$ 121,464	\$ 116,546	\$ 120,434	\$ 123,313
Operating grants and contributions	43,272	47,025	52,813	66,770	67,569	84,373	85,072	84,060	91,910	97,911
Capital grants and contributions										
Total business type activities program revenues	165,383	163,674	178,212	186,847	175,299	195,288	206,536	200,606	212,344	221,224
Total district program revenues	\$ 1,576,749	\$ 1,774,958	\$ 1,291,134	\$ 1,403,249	\$ 1,200,003	\$ 1,240,449	\$ 1,502,741	\$ 1,341,888	\$ 1,686,300	\$ 1,803,202
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (11,310,448)	\$ (11,905,539)	\$ (12,316,719)	\$ (13,418,345)	\$ (13,139,557)	\$ (12,915,892)	\$ (11,986,281)	\$ (12,817,594)	\$ (13,400,273)	\$ (13,275,619)
Business-type activities	(11,016)	(11,208)	2,192	4,041	(10,710)	(10,262)	(5,306)	(15,692)	10,277	(15,648)
Total district-wide net expense	\$ (11,321,464)	\$ (11,916,747)	\$ (12,314,527)	\$ (13,414,304)	\$ (13,150,267)	\$ (12,926,154)	\$ (11,991,587)	\$ (12,833,286)	\$ (13,389,996)	\$ (13,291,267)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 7,933,863	\$ 8,740,030	\$ 8,761,095	\$ 9,179,832	\$ 8,886,209	\$ 9,063,933	\$ 8,812,500	\$ 8,988,750	\$ 9,168,525	\$ 9,626,000
Taxes levied for debt service	397,733	470,025	359,001	499,351	446,081	457,655	449,884	416,250	389,234	425,250
Unrestricted grants and contributions	3,047,495	3,129,155	3,408,769	2,963,040	2,877,280	3,099,923	3,061,305	3,259,343	3,326,395	3,302,529
State aid restricted for capital projects	17,236	(7,529)	(2,801)	229,531	779					
Investment earnings	80,432	9,102	1,005	488	478	347		340	408	251
Miscellaneous income	148,675	339,032	97,661	79,007	47,892	34,194	11,060	3,323	24,945	51,736
Loss on disposal of assets		(724,654)								
Transfers										
Total governmental activities	11,625,434	11,955,162	12,624,730	12,951,249	12,258,719	12,656,052	12,334,749	12,668,006	12,909,507	13,405,766
Business-type activities:										
Investment earnings	2,598	1,008	309	275	245	363	124	20	24	21
Prior year payables canceled	10,125	12,571	(7,031)							
Transfers										
Total business-type activities	12,723	13,579	(6,722)	275	245	363	124	20	24	21
Total district-wide	\$ 11,638,157	\$ 11,968,741	\$ 12,618,008	\$ 12,951,524	\$ 12,258,964	\$ 12,656,415	\$ 12,334,873	\$ 12,668,026	\$ 12,909,531	\$ 13,405,787
<b>Change in Net Position:</b>										
Governmental activities	\$ 314,988	\$ 49,623	\$ 308,011	\$ (467,096)	\$ (880,838)	\$ (259,840)	\$ 348,468	\$ (149,588)	\$ (490,766)	\$ 130,147
Business-type activities	1,707	2,371	(4,530)	4,316	(10,465)	(9,899)	(5,182)	(15,672)	10,301	(15,627)
Total district-wide	\$ 316,693	\$ 51,994	\$ 303,481	\$ (462,780)	\$ (891,303)	\$ (269,739)	\$ 343,286	\$ (165,260)	\$ (480,465)	\$ 114,520

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>General Fund:</b>										
Restricted for:										
Capital reserve	\$ 43,884	\$ 45,402	\$ 45,891	\$ 22,921	\$ 23,202	\$ 223,549	\$ 313,731	\$ 314,071	\$ 231,079	\$ 437,275
Maintenance reserve							200,000	200,000	200,000	200,000
Emergency reserve							200,000	200,000	200,000	200,000
Tuition reserve		405,000	805,000	805,000		160,533	447,096	423,623	457,060	640,000
Excess surplus	797,270	1,051,207	597,150		252,249			-	-	-
Assigned to:										
Year end encumbrances		141,971	182,355	48,683	17,443	105,514	-	-	-	-
Designated for subsequent year's budget	804,156	797,270	1,246,207	937,150	580,000	391,645	200,000	188,043	114,996	199,010
Unassigned	162,362	150,238	9,521	41,052	108,101	(29,473)	1,398	(40,177)	(28,886)	(7,562)
<b>Total general fund</b>	<u>\$ 1,807,672</u>	<u>\$ 2,591,088</u>	<u>\$ 2,886,124</u>	<u>\$ 1,854,806</u>	<u>\$ 980,995</u>	<u>\$ 851,768</u>	<u>\$ 1,362,225</u>	<u>\$ 1,285,560</u>	<u>\$ 1,174,249</u>	<u>\$ 1,668,723</u>
<b>All Other Governmental Funds</b>										
Restricted for, reported in:										
Special revenue fund	\$ (943)	\$ (2,143)	\$ 140,083	\$ 27,297	\$ 21,333					
Capital projects fund	295,209	307,899	238,213	359,390	357,819	\$ 296,677	\$ -	\$ -	\$ 2,945	
Debt service fund	113,460	90,079	83,958	826	1,023	197	38,216	38,216		
<b>Total all other governmental funds</b>	<u>\$ 407,726</u>	<u>\$ 395,835</u>	<u>\$ 462,254</u>	<u>\$ 387,513</u>	<u>\$ 380,175</u>	<u>\$ 296,874</u>	<u>\$ 38,216</u>	<u>\$ 38,216</u>	<u>\$ 2,945</u>	<u>\$ -</u>

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

**Fiscal Year Ending June 30,**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Revenues</b>										
Tax levy	\$ 8,331,596	\$ 9,210,056	\$ 9,120,096	\$ 9,679,183	\$ 9,332,290	\$ 9,521,588	\$ 9,262,384	\$ 9,405,000	\$ 9,557,759	\$ 10,051,250
Tuition		28,474							22,138	26,946
Transportation fees										
Interest earnings	80,432	9,102	1,005	488	478	347	-	340	408	251
Miscellaneous	149,675	339,032	97,661	79,007	47,892	34,194	11,060	3,323	2,807	51,736
State sources	4,205,189	4,427,218	4,144,516	3,368,440	3,481,610	3,705,289	3,983,279	4,061,072	4,457,669	4,436,988
Federal sources	269,908	284,747	377,175	1,040,533	421,153	439,795	374,231	339,553	352,682	420,573
<b>Total revenue</b>	<u>13,036,800</u>	<u>14,298,629</u>	<u>13,740,453</u>	<u>14,167,651</u>	<u>13,283,423</u>	<u>13,701,213</u>	<u>13,630,954</u>	<u>13,809,288</u>	<u>14,393,463</u>	<u>14,987,744</u>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	2,560,099	2,682,842	2,832,388	3,076,326	2,902,186	2,354,150	2,789,552	2,790,601	3,215,363	2,893,556
Special education instruction	685,475	704,224	666,103	912,498	875,724	1,253,984	1,167,771	1,275,374	1,160,139	1,400,181
Other instruction	139,183	185,749	163,770	121,054	114,440	132,951	129,602	128,154	149,707	143,912
<b>Support Services:</b>										
Tuition	3,974,470	4,488,479	4,712,138	5,315,449	5,356,679	4,849,768	3,968,660	4,204,377	3,739,380	3,737,670
Student & instruction related services	1,141,360	1,056,512	1,015,097	1,112,276	974,562	1,006,425	911,637	887,788	1,044,259	1,134,161
School administrative services	196,000	241,820	243,180	233,613	232,984	242,768	221,099	167,302	158,193	159,401
General and business admin. services	544,798	512,878	603,944	470,454	417,714	416,397	361,349	513,388	512,261	491,086
Plant operations and maintenance	620,402	687,829	683,964	667,907	650,774	635,652	578,674	723,029	717,604	723,713
Pupil transportation	516,015	528,241	439,960	503,433	395,754	385,491	415,007	463,689	449,777	462,781
Other support services	1,853,109	1,874,877	1,575,531	1,667,956	1,727,132	2,023,740	2,360,090	2,241,382	2,461,104	2,830,587
Transfer to Charter School				25,165	41,726		8,347	35,055	5,571	68,094
Capital outlay	85,997	35,197		624,435	28,816	153,934	55,502	39,564	499,237	76,439
<b>Debt service:</b>										
Principal	145,000	150,000	165,000	275,000	190,000	210,000	230,000	220,000	240,000	245,000
Interest and other charges	413,240	370,927	275,122	268,144	256,081	248,481	181,865	196,250	187,450	180,250
<b>Total expenditures</b>	<u>12,875,148</u>	<u>13,519,575</u>	<u>13,376,197</u>	<u>15,273,710</u>	<u>14,164,572</u>	<u>13,913,741</u>	<u>13,379,155</u>	<u>13,885,953</u>	<u>14,540,045</u>	<u>14,546,831</u>
Excess (Deficiency) of revenues over (under) expenditures	161,652	779,054	364,256	(1,106,059)	(881,149)	(212,528)	251,799	(76,665)	(146,582)	440,913
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing										50,616
Accrued interest on sale of bonds										
Prior year payable canceled		(7,529)	(2,801)							
Capital reserve transfer to Capital Projects				(23,253)						
Capital outlay transfer to Capital Projects				(367,220)						
Transfers in	77,980	6,340	855	390,677	197		90,182		278,400	2,945
Transfers out	(77,980)	(6,340)	(855)	(204)	(197)		(90,182)		(278,400)	(2,945)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(7,529)</u>	<u>(2,801)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,616</u>
<b>Net change in fund balances</b>	<u>\$ 161,652</u>	<u>\$ 771,525</u>	<u>\$ 361,455</u>	<u>\$ (1,106,059)</u>	<u>\$ (881,149)</u>	<u>\$ (212,528)</u>	<u>\$ 251,799</u>	<u>\$ (76,665)</u>	<u>\$ (146,582)</u>	<u>\$ 491,529</u>
Debt service as a percentage of noncapital expenditures	4.36%	3.86%	3.29%	3.71%	3.16%	3.33%	3.09%	3.01%	3.04%	2.94%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

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<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Contributions</u>	<u>Prior Year Refunds</u>	<u>Rentals</u>	<u>Custodial</u>	<u>Miscellaneous</u>	<u>Total</u>
2007	\$ 203,531		\$ 9,579	\$ 4,158	\$ 4,786		\$ 7,053	\$ 229,107
2008	124,726	28,474		219,949	205		3,254	376,608
2009	35,278			62,928	460			98,666
2010	57,011			21,689			795	79,495
2011	16,947			30,850			573	48,370
2012	12,673			21,357			511	34,541
2013	3,646						7,414	11,060
2014	1,634			28			1,661	3,323
2015	1,382	22,138		1,425				24,945
2016	2,055	26,946		18,963		23,282	7,687	78,933
	<u>\$ 458,883</u>	<u>\$ 77,558</u>	<u>\$ 9,579</u>	<u>\$ 381,347</u>	<u>\$ 5,451</u>	<u>\$ 23,282</u>	<u>\$ 28,948</u>	<u>\$ 985,048</u>

Source: District records



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

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
2007	\$ 1,328,300	\$ 217,142,600	\$ 304,000		\$ 19,133,900	\$ 16,268,600	\$ 16,921,300	\$ 271,098,700	\$ 327,558	\$ 271,426,258	\$ 66,936,200	\$ 3.222	\$ 505,617,974
2008	1,699,000	217,466,000	304,000		19,162,000	18,061,400	16,921,300	273,613,700	411,346	274,025,046	65,793,400	3.382	550,204,210
2009	1,646,000	218,339,000	304,000		19,582,900	20,061,400	16,499,500	276,432,800	427,049	276,859,849	65,956,600	3.368	592,849,692
2010	R 3,961,800	455,758,000	521,200		41,750,600	44,350,800	45,198,600	591,541,000	1,323,638	592,864,638	145,746,400	1.603	607,642,268
2011	3,718,800	451,117,000	521,200		40,934,300	30,174,100	44,707,700	571,173,100	1,072,135	572,245,235	146,126,700	1.647	563,323,573
2012	3,931,000	448,796,300	521,200		40,940,900	30,174,100	44,707,700	569,071,200	1,027,921	570,099,121	145,896,800	1.648	549,911,838
2013	3,839,000	446,818,000	521,200		40,054,500	30,174,100	37,129,900	558,536,700	986,545	559,523,245	146,061,300	1.668	527,825,972
2014	3,894,000	444,079,600	521,200		35,620,800	30,154,100	37,053,900	551,323,600	863,954	552,187,554	146,579,000	1.717	518,282,758
2015	3,702,400	442,083,600			35,588,700	26,054,100	37,053,900	544,482,700	870,278	545,352,978	146,942,700	1.798	511,919,710
2016	3,443,200	439,400,700			35,580,000	25,894,400	36,669,000	540,987,300	861,706	541,849,006	146,638,800	1.878	512,007,524

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

- a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies
- b Tax rates are per \$100 of assessed valuation
- c Not available.
- R Revaluation

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

J-7

Fiscal Year Ended June 30,	Barrington School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Barrington	Camden County	
2007	\$ 3.049	\$ 0.173	\$ 3.222	\$ 1.175	\$ 1.308	\$ 5.705
2008	3.193	0.189	3.382	1.409	1.279	6.070
2009	3.187	0.181	3.368	1.482	1.328	6.178
2010	R 1.528	0.075	1.603	0.742	0.670	3.015
2011	1.572	0.075	1.647	0.811	0.694	3.152
2012	1.573	0.075	1.648	0.857	0.739	3.244
2013	1.594	0.074	1.668	0.903	0.718	3.289
2014	1.645	0.072	1.717	0.966	0.792	3.475
2015	1.720	0.078	1.798	1.007	0.823	3.628
2016	1.800	0.078	1.878	1.045	0.828	3.751

**Source:** Municipal Tax Collector

R Revaluation

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

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Taxpayer	2016		Taxpayer	2007	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Sr. Housing of Barrington Mews	\$ 18,121,400	3.34%	Haddonfield Manor, LLC	\$ 8,421,800	3.10%
East Coast, The Willows, LLC	17,000,000	3.14%	Greenville Gardens Limited	6,602,900	2.43%
Lighthouse Haddonfield LLC	15,500,000	2.86%	AP-KEERA Barrington, LLC	6,300,000	2.32%
1 Commerce Dr Holdings	12,250,000	2.26%	Weyerhaeuser Paper Co.	5,496,800	2.03%
International Paper Company	6,540,300	1.21%	Berg Enterprise Associates	2,500,000	0.92%
101 Gloucester Pike Assoc.	4,300,000	0.79%	Norman & Pauline Edmund	2,419,100	0.89%
Berg Enterprises Associates	3,632,100	0.67%	BVW Associates, LP	1,814,700	0.67%
Daniel G Kamin (Rite Aid)	3,400,000	0.63%	Sieck Brothers/Royal Courts	1,288,700	0.47%
Sieck Brothers/Royal Courts	2,088,500	0.39%	Maureen Lenahan	1,140,600	0.42%
Barrington Redevelopment Urban Renewal	1,296,000	0.24%	FBV Inc.	1,057,200	0.39%
<b>Total</b>	<b>\$ 84,128,300</b>	<b>15.53%</b>		<b>\$ 37,041,800</b>	<b>13.65%</b>

Source: Municipal Tax Assessor

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

J-9

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Calendar Year</u>	<u>Collected within the Fiscal Year of the Levy<sup>a</sup></u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2007	\$ 8,331,596	\$ 7,912,397	94.97%	-
2008	9,210,056	9,210,056	100.00%	-
2009	9,120,096	9,120,096	100.00%	-
2010	9,179,832	9,179,832	100.00%	-
2011	9,332,290	9,332,290	100.00%	-
2012	9,521,588	9,521,588	100.00%	-
2013	9,262,384	8,262,384	89.20%	-
2014	9,405,000	9,405,000	100.00%	-
2015	9,557,759	9,557,759	100.00%	-
2016	10,051,250	10,051,250	100.00%	-

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

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

Barrington School District  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

J-10

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income <sup>b</sup>	Per Capita <sup>c</sup>
	General Obligation Bonds <sup>a</sup>	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2007	\$ 6,697,000	\$ -	\$ -	\$ -		\$ 6,697,000	2.40%	960
2008	6,547,000	-	-	-		6,547,000	2.28%	942
2009	6,382,000	21,253	-	-		6,403,253	2.22%	923
2010	6,107,000	35,751	-	-		6,142,751	2.10%	881
2011	5,917,000	17,991	-	-		5,934,991	1.94%	856
2012	5,707,000	16,982	-	-		5,723,982	1.85%	830
2013	5,230,000	6,621	-	-		5,236,621	1.70%	764
2014	5,010,000	2,320	-	-		5,012,320	1.57%	734
2015	4,770,000	160	-	-		4,770,160	c	700
2016	4,525,000	-	-	-		4,525,000	c	c

Sources:

- a District Records
- b Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- c Information not available.

**Barrington School District  
 Ratios of Net General Bonded Debt Outstanding  
 Last Ten Fiscal Years**

J-11

<b>Fiscal Year Ended June 30,</b>	<b>General Bonded Debt Outstanding</b>			<b>Percentage of Net Assessed Valuation Taxable <sup>b</sup></b>	<b>Per Capita <sup>c</sup></b>
	<b>General Obligation Bonds</b>	<b>Deductions</b>	<b>Net General Bonded Debt Outstanding <sup>a</sup></b>		
2007	\$ 6,697,000	\$ -	\$ 6,697,000	1.17%	960
2008	6,547,000	-	6,547,000	1.15%	942
2009	6,382,000	-	6,382,000	1.14%	919
2010	6,697,000	-	6,697,000	1.21%	960
2011	6,547,000	-	6,547,000	1.20%	944
2012	5,707,000	-	5,707,000	1.05%	827
2013	5,230,000	-	5,230,000	0.96%	764
2014	5,010,000	-	5,010,000	0.91%	734
2015	4,770,000	-	4,770,000	0.87%	700
2016	4,525,000	-	4,525,000	0.84%	<sup>c</sup>

**Sources:**

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

**Barrington School District  
 Ratios of Overlapping Governmental Activities Debt  
 As of December 31, 2015**

<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 Barrington	\$ 14,731,769 (1)	100.000%	\$ 14,731,769
Camden County General Obligation Debt	342,450,384 (1)	1.390% (2)	4,760,060
			<hr/>
Subtotal, overlapping debt			19,491,829
Barrington School District Direct Debt			<hr/> 4,770,000
<b>Total direct and overlapping debt</b>			<hr/> <b>\$ 24,261,829</b> <hr/>

**Sources:**

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

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

J-13

**Legal Debt Margin Calculation for Fiscal Year 2016**

	Equalized valuation basis (1)
2013	\$ 517,355,224
2014	510,957,924
2015	<u>508,244,843</u>
	<u>\$1,536,557,991</u>
Average equalized valuation of taxable property	<u>\$ 512,185,997</u>
Debt limit (3% of average equalized valuation) (2)	15,365,580
Net bonded school debt (3)	<u>4,525,000</u>
Legal debt margin	<u>\$ 10,840,580</u>

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	20015	2016
Debt limit	\$ 12,987,630	\$ 14,711,483	\$ 16,148,257	\$ 17,115,174	\$ 17,483,972	\$ 17,132,672	\$ 16,469,440	\$ 15,903,776	\$ 15,578,788	\$ 15,365,580
Total net debt applicable to limit (3)	<u>6,697,000</u>	<u>6,547,000</u>	<u>6,382,000</u>	<u>6,107,000</u>	<u>5,917,000</u>	<u>5,707,000</u>	<u>5,230,000</u>	<u>5,010,000</u>	<u>4,770,000</u>	<u>4,525,000</u>
Legal debt margin	<u>\$ 6,290,630</u>	<u>\$ 8,164,483</u>	<u>\$ 9,766,257</u>	<u>\$ 11,008,174</u>	<u>\$ 11,566,972</u>	<u>\$ 11,425,672</u>	<u>\$ 11,239,440</u>	<u>\$ 10,893,776</u>	<u>\$ 10,808,788</u>	<u>\$ 10,840,580</u>
Total net debt applicable to the limit as a percentage of debt limit	51.56%	44.50%	39.52%	35.68%	33.84%	33.31%	31.76%	31.50%	30.62%	29.45%

**Sources:**

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



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

J-14

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2007	6,974	\$ 279,001,844	\$ 40,006	3.1%
2008	6,948	287,459,604	41,373	4.2%
2009	6,941	289,030,181	41,641	6.6%
2010	6,975	292,901,175	41,993	7.0%
2011	6,932	305,805,180	44,115	6.8%
2012	6,898	308,630,316	44,742	6.9%
2013	6,850	308,777,450	45,077	6.7%
2014	6,827	320,090,722	46,886	6.4%
2015	6,817	e	e	5.0%
2016	e	e	e	e

**Source:**

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

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

J-16

<u>Function/Program</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Instruction										
Regular	38.0	38.0	36.8	34.8	31.0	38.0	41.0	42.0	42.0	43.0
Special education	12.0	12.0	15.0	15.0	13.0	13.0	13.0	13.0	13.0	12.0
Support Services:										
Student & instruction related services	38.0	38.0	24.7	24.4	24.4	22.0	19.0	19.0	19.0	19.0
School administrative services	4.0	4.0	3.0	3.0	3.0	3.0	5.5	5.5	6.5	6.5
General and business administrative services	3.0	3.0	1.4	1.4	1.4	0.6	0.6	0.6	0.6	0.6
Plant operations and maintenance	6.0	6.0	8.1	6.5	6.5	6.5	7.0	7.0	7.0	7.0
Business and other support services	3.0	3.0	2.7	1.3	1.3	1.7	1.7	1.7	1.7	1.7
Total	<u>104.0</u>	<u>104.0</u>	<u>91.7</u>	<u>86.4</u>	<u>80.6</u>	<u>84.8</u>	<u>87.8</u>	<u>88.8</u>	<u>89.8</u>	<u>89.8</u>

**Source:**  
District Personnel Records

Barrington School District  
 Operating Statistics,  
 Last Ten Fiscal Years

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Fiscal Year	Resident Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio Elementary	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
2007	577	\$ 11,606,416	\$ 20,115	8.26%	58	1:10	571.0	560.0	-4.19%	98.07%
2008	588	12,230,911	20,801	3.41%	58	1:10	580.1	559.8	1.60%	96.49%
2009	578	12,963,451	22,428	7.82%	52	1:10	577.8	547.3	-0.40%	94.72%
2010	612	12,936,075	21,137	-5.76%	58	1:10	604.5	574.5	4.62%	95.04%
2011	608	14,106,131	23,201	9.76%	56	1:10	625.6	594.5	3.49%	95.03%
2012	614	13,301,326	21,663	-6.63%	51	1:10	619.2	592.5	-1.02%	95.69%
2013	625	12,903,441	20,646	-4.70%	54	1:10	615.3	587.8	-0.63%	95.53%
2014	613	13,430,139	21,909	6.12%	55	1:11	612.9	587.8	-0.39%	95.90%
2015	616	13,613,358	22,100	0.87%	55	1:11	617.4	591.7	0.73%	95.84%
2016	619	14,045,142	22,690	2.67%	55	1:11	615.8	590.0	-0.26%	95.81%

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).

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>District Building</b>										
<u>Elementary</u>										
Woodland Elementary (1982)										
Square Feet	49,100	49,100	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462
Capacity (students)	350	350	353	353	353	353	353	353	353	353
Enrollment	198	198	170	198	252	237	250	224	248	256
Avon Elementary (1982)										
Square Feet	21,590	21,590	45,390	45,876	45,876	45,876	45,876	45,876	45,876	45,876
Capacity (students)	173	173	380	308	308	308	308	308	308	308
Enrollment	379	379	408	412	356	377	375	389	370	360
<u>Other</u>										
Central Administration (1982)										
Square Feet	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820
Number of Schools at June 30, 2016										
Elementary = 1										
Middle School = 1										
Senior High School = 0										
Other = 0										

Source: District Facilities Office

Barrington School District  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
<b>* School Facilities</b>											
Woodland School	\$ 43,250	\$ 33,400	\$ 43,649	\$ 38,031	\$ 43,672	\$ 30,122	\$ 61,265	\$ 56,949	\$ 70,057	\$ 65,692	\$ 486,087
Avon School	59,850	31,900	33,085	35,390	42,185	35,844	55,258	50,772	62,457	58,553	465,294
Other Facilities	131	13,800		7,450	3,358	11,087	3,604	2,008	2,470	2,329	46,237
<b>Total School Facilities</b>	<b>\$ 103,231</b>	<b>\$ 79,100</b>	<b>\$ 76,734</b>	<b>\$ 80,871</b>	<b>\$ 89,215</b>	<b>\$ 77,053</b>	<b>\$ 120,127</b>	<b>\$ 109,729</b>	<b>\$ 134,984</b>	<b>\$ 126,574</b>	<b>\$ 997,618</b>

\* 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

**Barrington School District  
Insurance Schedule  
June 30, 2016**

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	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)		
Limits of liability per occurrence	\$ 400,000,000	\$ 5,000
Equipment Breakdown	100,000,000	5,000
General Liability	16,000,000	
Automobile Liability	16,000,000	1,000
Workers' Compensation	Statutory	
School Board Legal Liability	16,000,000	5,000
Crime Coverage	250,000	1,000
Electronic Data Processing Equipment	500,000	1,000
Student Accident (2)	1,000,000	
Surety Bonds (3)		
Treasurer	200,000	
Board Secretary	50,000	

- (1) New Jersey School Boards Association Insurance Group
- (2) Markel Insurance Company
- (3) Selective Insurance

**Source: District records**

**Single Audit Section**

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

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 New Jersey Society of CPAs

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

**INDEPENDENT AUDITOR'S REPORT**

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

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

I have audited Barrington School District (School District), in the County of Camden, State of New Jersey's compliance with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major state programs for the fiscal year ended June 30, 2016. The School District's major 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 state programs.

**Auditor's Responsibility**

My responsibility is to express an opinion on compliance for each of the School District's major 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 and New Jersey Treasury Circular OMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and New Jersey Treasury Circular OMB 15-08 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major 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 state program. However, my audit does not provide a legal determination of the School District's compliance.

**Opinion on Each Major State Program**

In my opinion, the Barrington 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 state programs for the fiscal year ended June 30, 2016.



**Report on Internal Control Over Compliance**

Management of the Barrington 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 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 state programs and to test and report on internal control over compliance in accordance New Jersey Treasury Circular OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Barrington'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 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 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 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 New Jersey Treasury Circular OMB 15-08. Accordingly, this report is not suitable for any other purpose.

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



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant

Marlton, New Jersey  
September 30, 2016

**BARRINGTON SCHOOL DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended June 30, 2016**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2015			Carryover/ Walkover	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance, June 30, 2016									
						(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor							
<b>U.S. Department of Education</b>																						
<b>Passed-through State Department of Education:</b>																						
<b>Special Revenue Fund:</b>																						
<b>Title I:</b>																						
Fiscal Year 2016	84,010	S010A150030	NCLB019016	110,431	7/1/15 - 6/30/16	\$ -	\$ -	\$ -	\$ -	\$ 88,094	\$ (110,431)	\$ -	\$ (22,337)	\$ -	\$ -							
<b>Title II A:</b>																						
Fiscal Year 2016	84,367	S367A150029	NCLB019016	10,194	7/1/15 - 6/30/16						(9,642)		(9,642)									
<b>I.D.E.A. Part B - Basic:</b>																						
Fiscal Year 2016	84,027	H027A150100	IDEA019016	272,177	7/1/15 - 6/30/16				54,341	217,836	(272,177)											
Fiscal Year 2015	84,027	H027A150100	IDEA019015	266,390	7/1/14 - 6/30/15	(740)			(54,341)	55,081												
<b>I.D.E.A. Part B - Preschool:</b>																						
Fiscal Year 2016	84,173	H173A150114	IDEA019016	11,707	7/1/15 - 6/30/16				3,546	8,161	(11,707)											
Fiscal Year 2015	84,173	H173A150114	IDEA019015	14,226	7/1/14 - 6/30/15	(2,719)			(3,546)	6,265												
<b>Ed Connect</b>																						
Fiscal Year 2015	84,413A	B413A120008	15E00119	50,000	2/1/15 - 11/30/15	(12,514)				29,130	(16,616)											
<b>Total U.S. Department of Education</b>						<b>(15,973)</b>				<b>404,567</b>	<b>(420,573)</b>		<b>(31,979)</b>									
<b>U.S. Department of Agriculture</b>																						
<b>Passed-through State Department of Education:</b>																						
<b>Enterprise Fund:</b>																						
<b>Food Distribution Program</b>																						
Fiscal Year 2016	10,565	16161NJ304N1099	N/A	16,736	7/1/15 - 6/30/16					16,736	(16,736)											
<b>School Breakfast Program:</b>																						
Fiscal Year 2016	10,553	16161NJ304N1099	N/A	12,942	7/1/15 - 6/30/16					11,912	(12,942)		(1,030)									
Fiscal Year 2015	10,553	16161NJ304N1099	N/A	12,992	7/1/14 - 6/30/15	(956)				956												
<b>National School Lunch Program:</b>																						
Fiscal Year 2016	10,555	16161NJ304N1099	N/A	66,185	7/1/15 - 6/30/16					62,166	(66,185)		(4,019)									
Fiscal Year 2015	10,555	16161NJ304N1099	N/A	63,475	7/1/14 - 6/30/15	(3,527)				3,527												
<b>Total U.S. Department of Agriculture</b>						<b>(4,483)</b>				<b>95,297</b>	<b>(95,863)</b>		<b>(5,049)</b>									
<b>Total Federal Awards</b>						<b>\$ (20,456)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 499,864</b>	<b>\$ (516,436)</b>	<b>\$ -</b>	<b>\$ (37,028)</b>	<b>\$ -</b>	<b>\$ -</b>							

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

**BARRINGTON SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Fiscal Year Ended June 30, 2016**

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2015			Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance, June 30, 2016		
				(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor
<b>State Department of Education</b>													
General Fund:													
Equalization Aid	16-495-034-5120-078	\$ 2,677,918	7/1/15 - 6/30/16	\$ -	\$ -	\$ -	\$ -	\$ 2,427,823	\$ (2,677,918)	\$ -	\$ (250,095)	\$ -	\$ -
Equalization Aid	15-495-034-5120-078	2,677,918	7/1/14 - 6/30/15	(248,009)				248,009					
Special Education Categorical Aid	16-495-034-5120-089	518,323	7/1/15 - 6/30/16					469,916	(518,323)		(48,407)		
Special Education Categorical Aid	15-495-034-5120-089	518,323	7/1/14 - 6/30/15	(48,003)				48,003					
Categorical Security Aid	16-495-034-5120-084	20,049	7/1/15 - 6/30/16					18,177	(20,049)		(1,872)		
Categorical Security Aid	15-495-034-5120-084	20,049	7/1/14 - 6/30/15	(1,857)				1,857					
Categorical Transportation Aid	16-495-034-5120-014	20,628	7/1/15 - 6/30/16					18,702	(20,628)		(1,926)		
Categorical Transportation Aid	15-495-034-5120-014	20,628	7/1/14 - 6/30/15	(1,910)				1,910					
Per Pupil Growth Aid	16-495-034-5120-097	8,540	7/1/15 - 6/30/16					7,742	(8,540)		(798)		
Per Pupil Growth Aid	15-495-034-5120-097	8,540	7/1/14 - 6/30/15	(791)				791					
PARCC Readiness Aid	16-495-034-5120-098	8,540	7/1/15 - 6/30/16					7,742	(8,540)		(798)		
PARCC Readiness Aid	15-495-034-5120-098	8,540	7/1/14 - 6/30/15	(791)				791					
Extraordinary Special Education Cost Aid	16-495-034-5720-044	38,835	7/1/15 - 6/30/16						(38,835)		(38,835)		
Extraordinary Special Education Cost Aid	15-495-034-5720-044	13,370	7/1/14 - 6/30/15	(13,370)				13,370					
Nonpublic Transportation Aid	16-495-034-5120-014	7,208	7/1/15 - 6/30/16						(7,208)		(7,208)		
Nonpublic Transportation Aid	15-495-034-5120-014	7,270	7/1/14 - 6/30/15	(7,270)				7,270					
Homeless Tuition Aid	16-495-034-5120-005	5,023	7/1/15 - 6/30/16						(5,023)		(5,023)		
Homeless Tuition Aid	15-495-034-5120-005	33,326	7/1/14 - 6/30/15	(33,326)				33,326					
On-behalf TPAF Pension Contribution	16-495-034-5094-002	326,869	7/1/15 - 6/30/16						(344,558)				
On-behalf TPAF Post Retirement Medical	16-495-034-5094-001	410,273	7/1/15 - 6/30/16					410,273	(410,273)				
Reimbursed TPAF Social Security Contr.	16-495-034-5094-003	344,558	7/1/15 - 6/30/16					294,407	(326,869)		(32,462)		
Reimbursed TPAF Social Security Contr.	15-495-034-5094-003	327,545	7/1/14 - 6/30/15	(32,695)				32,695					
<b>Total General Fund</b>				<b>(388,022)</b>				<b>4,387,362</b>	<b>(4,386,764)</b>		<b>(387,424)</b>		
<b>Special Revenue Fund:</b>													
NJ Nonpublic Aid:													
Textbook Aid	16-100-034-5120-064	11,534	7/1/15 - 6/30/16					11,534	(8,672)				2,862
Nursing Aid	16-100-034-5120-070	18,180	7/1/15 - 6/30/16					18,180	(17,998)				182
Nursing Aid	15-100-034-5120-070	19,160	7/1/14 - 6/30/15			192				192			
Technology Aid	16-100-034-5120-373	5,252	7/1/15 - 6/30/16					5,252	(4,746)				506
Technology Aid	15-100-034-5120-373	6,464	7/1/14 - 6/30/15			6				6			
Security Aid		5,050	7/1/15 - 6/30/16					5,050	(3,627)				1,423
Handicapped Services:													
Supplemental Instruction	16-100-034-5120-509	20,792	7/1/15 - 6/30/16					20,792					20,792
Examination & Classification	16-100-034-5120-066	21,299	7/1/15 - 6/30/16					21,299	(17,716)				3,583
Examination & Classification	15-100-034-5120-066	47,536	7/1/14 - 6/30/15			31,327				31,327			
<b>Total Special Revenue Fund</b>						<b>31,525</b>		<b>82,107</b>	<b>(52,759)</b>		<b>31,525</b>		<b>29,348</b>
<b>Capital Projects Fund:</b>													
Educational Facilities & Construction Act													
Woodland Elementary School	0190-030-14-1002	191,950	7/1/14 - 6/30/15	(191,950)				191,950					
<b>Total Capital Projects Fund</b>				<b>(191,950)</b>				<b>191,950</b>					
<b>State Department of Agriculture</b>													
Enterprise Fund:													
National School Lunch Program (State Share)	16-100-010-3350-023	2,048	7/1/15 - 6/30/16					1,926	(2,048)		(122)		
National School Lunch Program (State Share)	15-100-010-3350-023	2,009	7/1/14 - 6/30/15	(109)				109					
<b>Total Enterprise Fund</b>				<b>(109)</b>				<b>2,035</b>	<b>(2,048)</b>		<b>(122)</b>		
<b>Total State Financial Assistance</b>				<b>\$ (580,081)</b>	<b>\$ -</b>	<b>\$ 31,525</b>	<b>\$ -</b>	<b>\$ 4,663,454</b>	<b>\$ (4,441,571)</b>	<b>\$ 31,525</b>	<b>\$ (387,546)</b>	<b>\$ -</b>	<b>\$ 29,348</b>
Less: State Financial Assistance Not Subject to New Jersey OMB Circular 15-08													
On-Behalf TPAF Contribution - Pension (Non-Budgeted) (344,558)													
On-Behalf TPAF Contribution - Post Retirement Medical (Non-Budgeted) (410,273)													
<b>Total State Financial Assistance Subject to New Jersey OMB Circular 15-08 \$ (3,686,740)</b>													

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

**Barrington School District  
Notes to Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2016**

**I. GENERAL**

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

**2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$2,535) for the general fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ -	\$ 4,384,229	\$ 4,384,229
Special Revenue	420,573	52,759	473,332
Food Service	95,863	2,048	97,911
Total	<u>\$ 516,436</u>	<u>\$ 4,439,036</u>	<u>\$ 4,955,472</u>

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

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

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

**5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2016. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2016.

**6. MAJOR PROGRAMS**

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



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

Section 1 -- Summary of Auditor's Results (Continued)

State Awards

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

Auditee qualified as low-risk auditee?  X  yes   no

Internal Control over major programs:

Material weaknesses identified?   yes  X  no

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

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08?   yes  X  no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>16-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>16-100-010-3350-023</u>	<u>National School Lunch Program (State Share)</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

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

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

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

**Finding #2016-001**

**Criteria or specific requirement:**

N.J.A.C. 6A:23-16.12 and good internal control require the prompt deposit of cash receipts.

**Condition:**

Several Avon School Student Activity Fund receipts were not deposited promptly.

**Context:**

The Avon School Student Activity Fund receipts testing disclosed several receipts that were not deposited promptly.

**Effect:**

The District did not comply with N.J.A.C. 6A:23-16-12.

**Cause:**

Oversight and change in personnel.

**Recommendation:**

That all receipts be deposited promptly.

**View of Responsible Officials and Planned Corrective Action:**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.



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

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

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

**FEDERAL AWARDS:**

A federal single audit was not required.

**STATE AWARDS:**

No findings and/or questioned costs identified.

**BARRINGTON SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR-YEAR FINDINGS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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

**FINANCIAL STATEMENT FINDINGS**

**Finding #2015-001**

Cash receipts supporting documentation was not maintained for the Woodland School student activity fund.

**Current Status:**

This finding has been corrected.

**FEDERAL AWARDS**

A federal single audit was not required.

**STATE AWARDS**

There were no prior year audit findings.