


**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
WILLINGBORO TOWNSHIP SCHOOL DISTRICT
BOARD OF EDUCATION
BURLINGTON COUNTY, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Prepared by
Willingboro Township School District
Finance Department

INTRODUCTORY SECTION

WILLINGBORO PUBLIC SCHOOLS
WILLINGBORO, NEW JERSEY 08046-2847



KELVIN L. SMITH, CPA, MBA
BUSINESS ADMINISTRATOR/BOARD SECRETARY

COUNTRY CLUB ADMINISTRATION BUILDING
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November 29, 2016

The Honorable President and
Members of the Board of Education
Willingboro Township School District
Burlington County, New Jersey 08046

Dear Board Members:

The comprehensive annual financial report of the Willingboro Township 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 administration of the Board of Education. To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and the results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes the transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules and the auditor's report. 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 conformance with the provisions of 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 OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:** The Willingboro Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by National Center for Governmental Accountants Statement No. 3. All fund account groups of the District are included in this report. The Willingboro Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education programs. The District completed the 2015-2016 fiscal year with an average daily enrollment of 3664, which is 75 students less than the previous year's average enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2015-2016	3664	(-0.02)
2014-15	3739	2.79%
2013-14	3605	(7.22%)
2012-13	4104	(7.53%)
2009-10	4578	(2.20%)
2008-09	4681	(1.54%)
2007-08	4754	(7.65%)
2006-07	5148	(8.53%)
2005-06	5628	(2.58%)

SCHOOL DISTRICT FISCAL ACCOUNTABILITY ACT P.L.2006, c15

During the 2005-2006 school years the district sought assistance from the New Jersey Department of Education through the provisions of the School District Accountability Act to remediate a deficit condition that began during the 2004-2005 school year. Under provisions of the Act the District received an advanced state aid payment of \$10,000,000 enabling the district to satisfy financial obligations and create a revised balanced budget for the fiscal year.

Although the proposal was for the District's future annual state aid payments to be adjusted downward by \$1,000,000 over a ten-year period to account for the advance but the district accelerated the payment of the \$10,000,000 loan and was fully discharged in fiscal year 2011.

2) MAJOR INITIATIVES:

- The School District has substantially completed a district wide renovation/construction to replace the major building systems at the district as well as specific upgrades such as renovation of the Willingboro High School Auditorium, installation of windows throughout the school district, renovation of science labs at Memorial Middle School and Willingboro High School as well as replacement of fire alarm systems and installation of emergency generators etc. The final project at the Levitt School completed renovations June 2016.

3) **INTERNAL ACCOUNTING CONTROLS:** District Administration 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 administration.

As a recipient of federal and state financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place for compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the District administration.

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 and to determine that the District has complied with applicable laws and regulations.

4) **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. The final budget amount as amended for the fiscal year is presented in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2016.

5) **BASIS OF ACCOUNTING:** 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 #1E.

6) **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District meets its responsibility for financial management. The following schedule presents a summary of the General Fund, Special Revenue Fund and Debt Service Fund. Revenues for the fiscal year ended June 30, 2016 and the amount and percentage of increases (decreases) in relation to prior year revenues.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2015 and the amount and percentage of increases (decreases) in relation to prior year amounts:

<u>Revenues</u>	<u>2015-2016</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2015</u>	<u>Percentage Increase (Decrease)</u>
Local Sources	31,456,796	39.00%	2,416,777	7.69%
State Sources	47,020,944	58.29%	965,298	2.00%
Federal Sources	2,177,991	2.70%	(268,650)	-12.33%
Total Revenue	<u>80,655,731</u>	<u>100.00%</u>	<u>3,113,425</u>	<u>-12.33%</u>

<u>Expenditures</u>	<u>2015-2016 Actual</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2015</u>	<u>Percentage Increase (Decrease)</u>
Operating	75,159,575	89.92%	830,012	1.14%
Capital Outlay	6,981,789	8.35%	2,428,662	34.78%
Special Schools	0	0.00%	0	0%
Debt Services	1,448,000	1.73%	(352)	-24.30%
Total Expenditures	<u>83,589,364</u>	<u>100.00%</u>	<u>3,258,322</u>	<u>11.62%</u>

7) **DEBT ADMINISTRATION:** At June 30, 2016, the District's outstanding debt issues included \$23,135,000 general obligation bonds.

8) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note #2. The District has adopted an investment policy, 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.

9) **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, student accident insurance, and fidelity bonds.

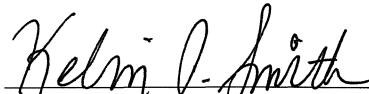
10) **INDEPENDENT AUDIT:** State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board approved the accounting firm of Brent Lee & Co. LLC during the meeting of March 22, 2016. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of 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 OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic 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.

11) **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the Willingboro Township Board of Education for its concern for providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing its full support to the ongoing improvement of the financial operation. The preparation of this report could not have been accomplished without the dedicated services of the District staff.

Respectfully submitted,



Dr. Ronald G. Taylor
Superintendent of Schools



Kelvin L. Smith, CPA, MBA
Business Administrator/Board Secretary

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WILLINGBORO PUBLIC SCHOOLS

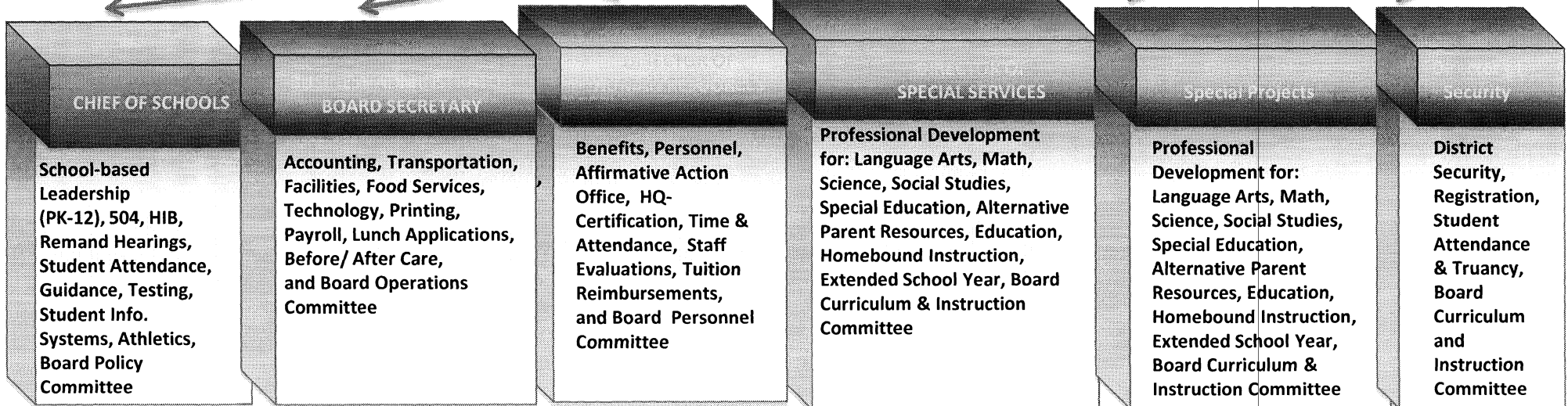
WILLINGBORO BOARD OF EDUCATION

SUPERINTENDENT OF SCHOOLS

DEPUTY SUPERINTENDENT OF SCHOOLS

School-based Leadership, Special Services, Business Administration & Operations, Human Resources, NJQSAC, Security, Special Projects, ESL, Early Childhood, Nursing, Registration, Student Attendance, NCLB Grants, and Board Curriculum & Instruction Committee

-7-



WILLINGBORO BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2016

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Kimbrali Davis, President	2016
Felicia Hopson, Vice President	2018
Grover Mckenzie	2016
Dennis Tunstall	2016
Sarah Holley	2017
Tonya Brown	2017
Gary Johnson	2017
Garland Hearn	2018
Theresa Rita Owens	2018

OTHER OFFICIALS

Dr. Ronald G. Taylor, Superintendent of Schools

Kelvin Smith, Business Administrator/Board Secretary

Dr. Dale Talbert, Assistant Superintendent

Mr. Kevin Guyton, Assistant Superintendent

Mr. Abdel Gutierrez, Director of Special Services

WILLINGBORO BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

BRENT W. LEE & CO., LLC
Certified Public Accounting Firm
3008 New Albany Road
Cinnaminson, New Jersey 08077

ATTORNEYS

Lester Taylor, Esq.
FLORIO, PERRUCCI, STEINHARDT & FADER
ATTORNEYS AT LAW
235 Broubalow Way
Phillipsburg, NJ 08865

OFFICIAL DEPOSITORIES

TD Bank
336 Route 70 East
Marlton, New Jersey 08053

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FINANCIAL SECTION



BRENT W. LEE & CO., LLC
Certified Public Accounting Firm

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Willingboro Township School District
County of Burlington
Willingboro, New Jersey 08046

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Willingboro Township School District, in the County of Burlington, 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 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 an opinion 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, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements 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 entity'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 entity'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, business-type activities, each major fund, and the aggregate remaining fund information of the Willingboro Township Board of Education, in the County of Burlington, 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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis and Budgetary Comparison Information, as listed on 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 inquiries 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 us 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 Willingboro Township School District Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 standard generally accepted in the United States of America by me. In my opinion, based on my audit, the procedures performed as described above, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections 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 a report dated November 14, 2016 on my consideration of the Willingboro Township School District Board of Education's internal control structure 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 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 District's internal control over financial reporting and compliance.

Respectfully submitted,



Brent W. Lee
Certified Public Accountant
Licensed Public School Accountant No. 700

Cinnaminson, New Jersey
November 14, 2016

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REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WILLINGBORO TOWNSHIP PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

The discussion and analysis of the Willingboro Township Public School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the notes to the basic financial statements and other financial statements to enhance their understanding of the District's financial performance.

Financial Highlights-2016

Net Position totaled \$21,646,825, which represents a \$988,630 decrease from 2014-2015. The decrease is mostly due to a reduction in grant receivables and an increase in pension liability.

General Fund revenues accounted for \$75,323,195 in revenue or 93.38% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, accounted for \$3,484,854 or 4.32% of the total revenue, the remainder was the debt service in the amount of \$1,847,682 or 2.29% of total revenue in the amount of \$80,665,731.

The District had \$83,589,364 in expenses; special revenue funds accounted for \$3,859,817 and debt service \$1,847,681 and permanent funds in the amount of \$1,448. Note: The Capital Outlay Fund in the amount of \$6,128,865, the remaining funds in the amount of \$71,751,553 represents the remaining expenditures for fiscal year ending 2016. Also, note that the Capital Outlay Fund does not show a revenue source outset, however, it is included as a component of overall revenue over expenditure amount.

Among major funds, the General Fund had \$75,323,195 in revenues and \$71,751,553 in expenditures. The General Fund's fund balance is \$2,656,586.

Using this Comprehensive Annual Financial Report (CAFR)

The annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Willingboro Township Public School District as a financial whole, an entire operating entity. The statements then proceed to provide a detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. Governmental fund statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other non-major funds presented in total in one column. In the case of the Willingboro Township Public School District, the General Fund is by far the most significant.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

This document contains all funds used by the District to provide programs and activities, viewing the District as a whole and reports the culmination of all financial transactions. The report answers the question “How We Did Financially during Fiscal Year 2016.” The Statement of Net Position and the Statement of activities provides the summary. The statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the District’s net position and changes in net position. This change in net assets is important because they report on whether the District’s financial position has improved or diminished.

In the Statement of Net Position and the Statement of Activities, the District is divided into two types of activities:

Governmental Activities - All of the District’s programs and services are reported here including, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service and Community School Enterprise Funds are reported as business activities.

Reporting the District’s Most Significant Funds

Fund Financial Statement

The Analysis of the District’s major funds provides detailed information about the District’s major funds. The District’s major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The District’s activities are reported in governmental funds, which focus on how money flows into and out of the funds and balances left at year-end available for spending in the future years. These funds are reported using a modified accrual accounting method, which measures cash and all other financial assets

That can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities. The reporting of this fund did not change with the conversion to GASB 34.

The District as a Whole

Table I provides a comparative summary of the District's net position for 2016 and 2015.

Table I – Net Position

The District's combined net position were \$21,646,825 on June 30, 2016. This is a decrease of 4.56% from the previous fiscal year.

Net Position	30-Jun-16	30-Jun-15
Invested in Capital Assets, Net of Debt	\$ 39,033,761	42,725,263
Restricted For:		
Other Purposes	4,521,274	2,183,129
Unrestricted	(21,908,210)	(22,272,937)
Total Net Position	\$ <u>21,646,825</u>	\$ <u>22,635,455</u>

Government Activities

Property taxes as approved by the voters of the Willingboro Township made up 37% of revenues for governmental activities for the fiscal year 2016. The District's total revenues were \$80,655,731 for the year ended June 30, 2016. Federal, state, local grants and miscellaneous account for the other 63% of revenue.

Revenue for Fiscal Year 2016

<u>Revenue</u>	<u>FY 2016</u>
Tax Levy	30,016,362
Tuition Charges	567,078
Miscellaneous	873,356
State Services	47,020,944
Federal Sources	2,177,991
	<hr/>
Total	<u>\$80,655,731</u>

Expenses for Fiscal Year 2016

The total cost of all programs and services was \$83,589,364 Instruction and out of district tuition comprises 26% of the District's expenses.

<u>Expense</u>	<u>FY 2016</u>
Instruction	18,832,823
Out of District Placement	4,861,153
Undistributed Expenditures	51,064,470
Capital Outlay	6,981,789
Debt Service	1,847,681
Expendable Trust	1,448
	<hr/>
Total	<u><u>\$83,589,364</u></u>

Business-Type Activities

Revenues for the District's business-type activities (food service and the before and after school program) were comprised of charges for services and federal and state reimbursements.

Food service revenues exceeded expenses by \$14,210. Charges for services represent 100% of revenue. This represents the amount paid by patrons for daily food service and catering.

Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$1,554,860

Before and after school program expenses exceeded revenues by (\$114,618) Charges for services represent 100% of revenue. This represents the amount paid by patrons for tuition.

Governmental Activities

The Comparative Statement of Activities (Table 3) shows the cost of program services for 2015-2016 compared to 2014-2015.

Table 3 – Comparative Statement of Activities

	<u>2015-2016</u>	<u>2014-2015</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Instruction (Excluding Grants)	18,432,823	20,012,898	(1,580,075)	-8.57%
Co/Extra Curricular Activities	1,703,235	1,707,254	(4,019)	-0.24%
Special Education Instruction	4,861,153	4,955,865	(94,712)	-1.95%
Attendance, Health, Student & Related Services (Excluding Grants)	6,601,623	6,162,470	439,153	6.65%
Library com	715,930	707,546	8,384	1.17%
Improvement of Instruction Services	444,889	342,053	102,836	23.11%
General and School Administration	4,435,830	4,452,115	(16,285)	-0.37%
Central Services & Adm Info Technology	1,021,087	1,056,532	(35,445)	-3.47%
Plant Operations and Maintenance	7,102,633	6,710,794	391,839	5.52%
Pupil Transportation	3,600,282	3,299,721	300,561	8.35%
Fringe Benefits	8,508,196	7,941,669	566,527	6.66%
Scholarships	1,448	1,800	(352)	-24.31%
Capital Outlay	6,981,789	4,553,127	2,428,662	34.79%
Tuition	8,822,569	8,533,377	289,192	3.28%
Debt Service	1,847,681	1,827,431	20,250	1.10%
Total District Obligations	<u>75,081,168</u>	<u>72,264,652</u>	<u>2,816,516</u>	3.75%
Fringe Obligations of the State	<u>8,508,196</u>	<u>7,941,668</u>	<u>566,528</u>	6.66%
Grand Total	<u>83,589,364</u>	<u>80,206,320</u>	<u>3,383,044</u>	4.05%

Instructional expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular and co-curricular activities.

Extracurricular and co-curricular activities includes expenses related to student activities provided by the District which are designed to provide opportunities for students to participate in school and public events for the purpose of motivation, enjoyment, skill improvement, school spirit and leadership.

Attendance, Health, Medical and other support services initiate activities that enable students to receive instruction and support.

Improvement of instruction staff includes the activities involved with assisting staff with the content and process of teaching students, including curriculum and staff development.

General administration, school administration, central services and administrative information technology include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in a safe and effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, to school co-curricular, athletic activities and co-curricular field trips as provided by state law.

Special Schools include the Adult High School. Capital Outlay includes improvement to school facilities and equipment. Debt Services include current payments for long-term debt.

The District's Funds

Information about the District's major funds starts on page 23 these funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$80,655,731.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal years ended June 30, 2016 and June 30, 2015 and the amount of increases and decreases in relation to prior year expenditures.

Instruction decreased by \$1,580,075 primarily due to decrease in purchase of technology equipment, textbooks purchases, and efficient programing of professional development.

Co-curricular and extracurricular activities expenses decreased by \$4,019 this decrease was due to refocusing resources in the area on instruction to enhance student learning.

Special Education Instruction decreased by \$94,712; as a result of purchasing more funds out of federal sources.

Attendance, health, and student support services increased by \$439,153 due to increase in purchased professional services.

Library and media services costs only increased by \$8,384 due to more media activity for the district.

Improvement of instructional services increased by \$102,836 due to decrease in purchases of services and materials.

General and school administration decreased by \$16,285 due to staffing.

Central services and administrative information technology costs decreased by \$35,445 because of staff reduction.

Plant operation and required maintenance costs increase by \$391,839, because of equipment purchases and aggressive maintenance program.

Pupil transportation cost increased by \$300,561 due to increase transportation of the district's special education students, homeless students, and other types of student population outside of the normal budgeted items.

Fringe benefit costs increased by \$566,527; this was primarily due to increase in health benefit cost.

Scholarships awarded decreased by \$352.

Capital outlay costs decreased by \$2,428,662 due to near completion of the construction\renovation project approved by the community and board of education in the year 2009-2010.

Debt service costs increased by \$20,250; due to interest payable on the bond approved in the year 2009-2010.

Tuition increase by \$289,192 due to sending more students out of district for needed services.

Comparative Summary of Revenues

Local Sources	\$	31,456,796	37.5	\$	29,040,019	37.5	\$	2,416,777
State Sources		47,020,944	58.3		46,055,646	59.3		965,298
Federal Sources		2,177,991	2.7		2,446,641	3.2		(268,650)
	\$	<u>80,655,731</u>	<u>98.5</u>	\$	<u>77,542,306</u>	<u>100.0</u>	\$	<u>3,113,425</u>

There was an increase in Local Funding of \$2,416,777, due to increase in Tax Levy, use of bank cap tuition charges and miscellaneous sources.

There was an overall increase in funding for State Sources in the amount of \$965,298.

There was a decrease in funding for Federal Sources in the amount of \$268,650.

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of revenues, expenditures and encumbrances. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2016, the district amended its General Fund budget as appropriated. Transfers from one program to another must be approved by the Board of Education.

At the end of the fiscal year 2016, the District had \$108,070,881 invested in land, buildings, furniture and equipment and vehicles. Table 4 shows fiscal 2016 balances compared to 2015.

Table 4 - Capital Assets at June 30

Land/Sites	\$	1,508,465	\$	1,508,465
Buildings and Improvements		95,985,018		95,985,018
Machinery and Equipment		7,591,338		8,337,653
Construction in Progress		2,986,060		9,114,925
		<u>108,070,881</u>		<u>114,946,061</u>
Totals	\$	<u>108,070,881</u>	\$	<u>114,946,061</u>

Overall capital assets increased by \$4,467.835 from fiscal year 2014 to fiscal year 2015 to primarily due to construction\renovation of district schools..

For the Future

The Willingboro Board of Education continues to emphasize the improvement of instruction and student achievement. Programs implemented during the past four years were supported in the 2015-2016 budgets with emphasis of improving test scores. The Board will continue to support funding to improve the centralized student enrollment center; the summer curriculum development program; improved delivery of services in Math and Language Arts; and special education classes at the elementary level.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, you may contact Kelvin L. Smith, CPA, MBA, Business Administrator/Board Secretary, Willingboro Township Public Schools, Country Club Administration Building, and 440 Beverly-Rancocas Road, Willingboro, New Jersey 08046.

BASIC FINANCIAL STATEMENTS

A. District -Wide Financial Statements

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2016

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$5,317,313	919,298	6,236,611
Receivables, Net	2,903,056	458,733	3,361,789
Inventory		1,494	1,494
Restricted Assets:			
Cash & Cash Equivalents	6,419,055		6,419,055
Capital Assets, Net (Note 4)	63,412,498	108,403	63,520,901
			<hr/>
Total Assets	78,051,922	1,487,928	79,539,850
			<hr/>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	4,137,529	41,751	4,179,280
			<hr/>
Total Deferred Outflows of Resources	4,137,529	41,751	4,179,280
			<hr/>
LIABILITIES			
Accounts Payable	2,409,427	251,890	2,661,317
Accrued Interest	352,684		352,684
Other Liabilities	9,380,758		9,380,758
Unearned Revenue	83,946	24,949	108,895
Net Pension Liability	21,077,439	212,903	21,290,342
Noncurrent Liabilities (Note 5):			
Due Within One Year	1,092,824		1,092,824
Due Beyond One Year	26,337,332		26,337,332
			<hr/>
Total Liabilities	60,734,410	489,742	61,224,152
			<hr/>
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	839,671	8,482	848,153
			<hr/>
Total Deferred Inflows of Resources	839,671	8,482	848,153
			<hr/>
NET POSITION			
Invested in Capital Assets, Net of Related Debt	38,925,358	108,403	39,033,761
Restricted For:			
Other Purposes	4,521,274		4,521,274
Unrestricted	(22,831,262)	923,052	(21,908,210)
			<hr/>
Total Net Position	\$20,615,370	1,031,455	21,646,825
			<hr/> <hr/>

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$18,327,823		1,959,850	(16,367,973)		(16,367,973)
Special Education	4,740,486			(4,740,486)		(4,740,486)
Other Special Instruction	120,667			(120,667)		(120,667)
Other Instruction	1,703,235			(1,703,235)		(1,703,235)
Support Services & Undistributed Costs:						
Tuition	8,822,569			(8,822,569)		(8,822,569)
Attendance & Social Work Services	283,368			(283,368)		(283,368)
Health Services	829,075			(829,075)		(829,075)
Student & Instruction Related Services	5,489,180		1,917,858	(3,571,322)		(3,571,322)
Educational Media Services/						
School Library	715,930			(715,930)		(715,930)
Instructional Staff Training	444,889			(444,889)		(444,889)
School Administrative Services	1,851,657			(1,851,657)		(1,851,657)
Other Administrative Services	2,584,173			(2,584,173)		(2,584,173)
Central Services	1,021,087			(1,021,087)		(1,021,087)
Plant Operations & Maintenance	7,071,093			(7,071,093)		(7,071,093)
Pupil Transportation	3,600,282			(3,600,282)		(3,600,282)
Unallocated Benefits	17,016,392		4,233,684	(12,782,708)		(12,782,708)
Transfer to Charter School	2,315,252			(2,315,252)		(2,315,252)
Scholarship Awarded	1,448			(1,448)		(1,448)
Nonbondable Capital Assets	106,609			(106,609)		(106,609)
Interest on Long-Term Debt	956,156			(956,156)		(956,156)
Increase in Pension Liability	519,646			(519,646)		(519,646)
Increase in Compensated Absences Liability	236,477			(236,477)		(236,477)
Unallocated Depreciation	3,575,476			(3,575,476)		(3,575,476)

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS		
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Total Governmental Activities	82,332,970		8,111,392	(74,221,578)		(74,221,578)
Business-Type Activities:						
Food Service	2,054,790	514,140	1,554,860		14,210	14,210
Day Care Program	883,586	768,968			(114,618)	(114,618)
Total Business-Type Activities	2,938,376	1,283,108	1,554,860		(100,408)	(100,408)
Total Primary Government	<u>\$85,271,346</u>	<u>1,283,108</u>	<u>9,666,252</u>	<u>(74,221,578)</u>	<u>(100,408)</u>	<u>(74,321,986)</u>
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				28,168,680		28,168,680
Taxes Levied for Debt Service				1,847,682		1,847,682
Federal & State Aid Not Restricted				41,105,434		41,105,434
Tuition Received				567,078		567,078
Miscellaneous Income				855,465		855,465
Transfer in				400,000		400,000
Decrease in Other Liability				389,017		389,017
Total General Revenues, Special Items, Extraordinary Items & Transfers				<u>73,333,356</u>		<u>73,333,356</u>
Change In Net Position				(888,222)	(100,408)	(988,630)
Net Position - Beginning				<u>21,503,592</u>	<u>1,131,863</u>	<u>22,635,455</u>
Net Position - Ending				<u>\$20,615,370</u>	<u>1,031,455</u>	<u>21,646,825</u>

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

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B. Fund Financial Statements

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2016**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	PERMANENT FUND	TOTAL
Assets:						
Cash & Cash Equivalents	\$5,276,626		6,419,055	2	40,685	11,736,368
Due From Other Funds	474,811					474,811
Receivables From Other Governments	557,776	701,199	1,347,537			2,606,512
Other Receivables	196,579					196,579
Total Assets	<u>\$6,505,792</u>	<u>701,199</u>	<u>7,766,592</u>	<u>2</u>	<u>40,685</u>	<u>15,014,270</u>
Liabilities & Fund Balances:						
Liabilities:						
Cash Deficit						
Accounts Payable	2,081,261	281,350	46,816			2,409,427
Payable to Other Governments	29,025	12,813				41,838
Other Liabilities	1,738,920					1,738,920
Note Payable			7,600,000			7,600,000
Interfund Payable		323,090	51,756			374,846
Unearned Revenue		83,946				83,946
Total Liabilities	<u>3,849,206</u>	<u>701,199</u>	<u>7,698,572</u>			<u>12,248,977</u>
Fund Balances:						
Restricted For:						
Excess Surplus	3,146,536					3,146,536
Excess Surplus Designated for Subsequent Year's Expenditures	609,478					609,478
Additional Excess Surplus Designated for Subsequent Year's Expenditures	656,553					656,553
Debt Service Fund				2		2
Capital Projects Fund			6,663			6,663
Special Revenue Fund						
Permanent Fund					40,685	40,685
Committed to:						
Other Purposes			61,357			61,357
Assigned to:						
Designated for Subsequent Year's Expenditures						
Unassigned:						
General Fund	(1,755,981)					(1,755,981)
Total Fund Balances	<u>2,656,586</u>		<u>68,020</u>	<u>2</u>	<u>40,685</u>	<u>2,765,293</u>
Total Liabilities & Fund Balances	<u>\$6,505,792</u>	<u>701,199</u>	<u>7,766,592</u>	<u>2</u>	<u>40,685</u>	

Amounts reported for *governmental activities* in the statement of net position (A-5) 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 \$114,946,061 and the accumulated depreciation is \$51,533,563. 63,412,498

Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not report in the fund statements. 4,137,529

Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (839,671)

Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (21,077,439)

Accrued Interest is not recorded in the fund statements (352,684)

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 (see Illustrative Note 5) (27,430,156)

Net Position of Governmental Activities \$20,615,370

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2016**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	PERMANENT FUND	TOTAL
Revenues:						
Local Tax Levy	\$28,168,680			1,847,682		30,016,362
Tuition Charges	567,078					567,078
Miscellaneous	855,428	17,891			37	873,356
State Sources	45,641,058	1,379,886				47,020,944
Federal Sources	90,951	2,087,040				2,177,991
Total Revenues	75,323,195	3,484,817		1,847,682	37	80,655,731
Expenditures:						
Current:						
Regular Instruction	16,472,973	1,959,850				18,432,823
Special Education Instruction	4,740,486					4,740,486
Other Special Instruction	120,667					120,667
Other Instruction	1,703,235					1,703,235
Support Services & Undistributed Costs:						
Tuition	8,822,569					8,822,569
Attendance & Social Work Services	283,368					283,368
Health Services	829,075					829,075
Student & Instruction Related Services	3,589,213	1,899,967				5,489,180
Educational Media Services/School Librarian	715,930					715,930
Instructional Staff Training	444,889					444,889
General Administrative Services	1,851,657					1,851,657
Other Administrative Services	2,584,173					2,584,173
Central Services	1,021,087					1,021,087
Plant Operations & Maintenance	7,102,633					7,102,633
Pupil Transportation	3,600,282					3,600,282
Unallocated Benefits	17,016,392					17,016,392
Scholarships Awarded					1,448	1,448
Debt Service:						
Principal				900,000		900,000
Interest				947,681		947,681
Capital Outlay	852,924		6,128,865			6,981,789
Total Expenditures	71,751,553	3,859,817	6,128,865	1,847,681	1,448	83,589,364
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	3,571,642	(375,000)	(6,128,865)	1	(1,411)	(2,933,633)
Other Financing Sources/(Uses):						
Cancellation of Grant Receivable						
Transfer in	25,000	375,000				400,000
Transfer to Charter School	(2,315,252)					(2,315,252)
Total Other Financing Sources	(2,290,252)	375,000				(1,915,252)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources	1,281,390		(6,128,865)	1	(1,411)	(4,848,885)
Fund Balance - July 1	1,375,196		6,196,885	1	42,096	7,614,178
Fund Balance - June 30	\$2,656,586		68,020	2	40,685	2,765,293

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

Total Net Change in Fund Balances - Governmental Funds (From B-2) (\$4,848,885)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period:

Depreciation Expense	(3,575,476)	
Capital Outlays	6,875,180	3,299,704

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 900,000

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 not reported in the statement of activities. 136,540

Accrued interest is not recorded in the governmental funds, but is expensed in the statement of net position.

Current Year	(352,684)	
Prior Year	344,209	(8,475)

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including services and interest costs, administrative costs, investment returns, and experience/assumptions. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period. (519,646)

Repayment of Compensated Absences 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. (236,477)

Repayment of Other Liabilities 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. 389,017

Change in Net Position of Governmental Activities (\$888,222)

See accompanying notes to the financial statements.

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Proprietary Funds

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2016**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	DAY CARE	TOTAL
Current Assets:			
Cash & Cash Equivalents	\$291,940	627,358	919,298
Interfund Accounts Receivable			
Due from Other Governments	333,724		333,724
Other Accounts Receivable	93,328	31,681	125,009
Inventories	1,494		1,494
Total Current Assets	720,486	659,039	1,379,525
Noncurrent Assets:			
Furniture, Machinery & Equipment	788,526	27,114	815,640
Less: Accumulated Depreciation	680,123	27,114	707,237
Total Noncurrent Assets	108,403		108,403
Total Assets	828,889	659,039	1,487,928
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows		41,751	41,751
Total Deferred Outflows of Resources		41,751	41,751
LIABILITIES			
Current Liabilities:			
Accounts Payable	153,498	24,092	177,590
Interfund Accounts Payable	28,499	45,801	74,300
Pension Liability		212,903	212,903
Unearned Revenue		24,949	24,949
Total Liabilities	181,997	307,745	489,742
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows		8,482	8,482
Total Deferred Inflows of Resources		8,482	8,482
NET POSITION			
Investment in Capital Assets, Net of Related Debt	108,403		108,403
Unrestricted	538,489	384,563	923,052
Total Net Position	\$646,892	384,563	1,031,455

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$488,411		488,411
Daily Sales - Nonreimbursable Programs	25,729		25,729
Tuition & Fees		768,968	768,968
Total Operating Revenues	514,140	768,968	1,283,108
Operating Expenses:			
Cost of Sales	683,425		683,425
Salaries	748,965	445,763	1,194,728
Management Fee	37,263		37,263
Employee Benefits	94,230	83,516	177,746
Cleaning, Repair & Maintenance Services	9,826		9,826
Travel Services	7,763	17,179	24,942
Purchased Services	73,352	18,988	92,340
Insurance	30,145		30,145
Supplies and Materials	287,943	18,140	306,083
Miscellaneous	20,281		20,281
Rent	25,000	300,000	325,000
Depreciation	36,597		36,597
Total Operating Expenses	2,054,790	883,586	2,938,376
Operating Income/(Loss)	(1,540,650)	(114,618)	(1,655,268)
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	22,056		22,056
Federal Sources:			
National School Lunch Program	1,026,572		1,026,572
National School Snack Program	47,899		47,899
National School Breakfast Program	307,817		307,817
Food Distribution Program	150,516		150,516
Interest & Investment Revenue			
Total Nonoperating Revenues/(Expenses)	1,554,860		1,554,860
Income/(Loss) Before Contributions & Transfers	14,210	(114,618)	(100,408)
Total Net Position - Beginning	632,682	499,181	1,131,863
Total Net Position - Ending	\$646,892	384,563	1,031,455

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2016**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Cash Flows From Operating Activities:			
Receipts from Customers	\$646,383	794,580	1,440,963
Payments to Employees	(748,965)	(445,763)	(1,194,728)
Payments for Employee Benefits	(94,230)	(78,226)	(172,456)
Payments to Suppliers	(1,147,136)	(297,465)	(1,444,601)
Net Cash Provided/(Used) by Operating Activities	(1,343,948)	(26,874)	(1,370,822)
Cash Flows From Noncapital Financing Activities:			
State Sources	22,056		22,056
Federal Sources	1,382,288		1,382,288
Transfer to General Fund			
Net Cash Provided/(Used) by Noncapital Financing Activities	1,404,344		1,404,344
Cash Flows From Investing Activities:			
Interest & Dividends			
Net Cash Provided/(Used) by Investing Activities			
Net Increase/(Decrease) in Cash & Cash Equivalents	60,396	(26,874)	33,522
Balances - Beginning of Year	231,544	654,232	885,776
Balances - End of Year	\$291,940	627,358	919,298

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	(\$1,540,650)	(114,618)	(1,655,268)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	36,597	5,290	41,887
Commodities Received	150,516		150,516
Increase/(Decrease) in Unearned Revenue		20,579	20,579
(Increase)/Decrease in Accounts Receivable, Net	(46,772)	5,033	(41,739)
(Increase)/Decrease in Inventories	11,787		11,787
Increase/(Decrease) in Interfund Payable	28,499	44,872	73,371
Increase/(Decrease) in Accounts Payable	16,075	11,970	28,045
Total Adjustments	196,702	87,744	284,446
Net Cash Provided/(Used) by Operating Activities	(1,343,948)	(26,874)	(1,370,822)

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

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Fiduciary Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2016**

ASSETS	PRIVATE PURPOSE		AGENCY		TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	PAYROLL AGENCY FUND	STUDENT ACTIVITY FUND	
Cash & Cash Equivalents	\$630,766	40,685	455,024	127,436	1,253,911
Interfunds Receivable					
Total Assets	630,766	40,685	455,024	127,436	1,253,911
LIABILITIES					
Payable to Student Groups				127,436	127,436
Interfunds Payable			25,665		25,665
Payroll Deductions & Withholdings			429,359		429,359
Total Liabilities			455,024	127,436	582,460
NET POSITION					
Held in Trust for Unemployment Claims & Other Purposes	630,766				630,766
Reserved for Scholarships		40,685			40,685
Total Net Position	\$630,766	40,685	-	-	671,451

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

ADDITIONS	PRIVATE PURPOSE			TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUNDS	WORKERS COMPENSATION TRUST	
Contributions:				
Other	\$163,511			163,511
Total Contributions	163,511			163,511
Investment Earnings:				
Interest	685	37	1,630	2,352
Net Investment Earnings	685	37	1,630	2,352
Total Additions	164,196	37	1,630	165,863
DEDUCTIONS				
Workers Compensation			1,630	1,630
Scholarships Awarded		1,297		1,297
Total Deductions	203,473	1,448	1,630	206,551
Change in Net Position	(39,277)	(1,411)		(40,688)
Net Position - Beginning of the Year	670,043	42,096		712,139
Net Position - End of the Year	\$630,766	40,685		671,451

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

NOTES TO FINANCIAL STATEMENTS

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Willingboro Township Board of Education have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

A. Reporting Entity

The Willingboro Township Board of Education is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The Willingboro Township Board of Education has an approximate enrollment at June 30, 2015 of 4,428 students.

B. Component Unit

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is whether:

- the organization is legally separate (can sue or be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

District-Wide Financial Statements - The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

Governmental Fund Financial Statements — The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. Fund Accounting:

The accounts of the Willingboro Township Board of Education are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

Governmental Funds

General Fund - The general fund is the general operating fund of the Willingboro Township Board of Education 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 which are classified in the Capital Outlay sub-fund.

As required by the New Jersey Department of Education Willingboro Township Board of Education includes budgeted Capital Outlay in this fund. Generally accepted accounting principles (GAAP) 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.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Permanent Fund — Resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the reporting governments programs, that is for the benefit of the government or its citizenry.

Proprietary Fund

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the 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 District's Enterprise Fund is comprised of the Food Service Fund and Day Care Fund.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

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 total assets) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net position.

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

Food Service Fund & Day Care Fund:	
Equipment	5 Years
Light Trucks & Vehicle	5 Years
Heavy Trucks & Vehicle	5 Years

Fiduciary Fund

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity's own operating programs which includes private purpose trust funds and agency funds.

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund, Scholarship Fund and Workers Compensation Trust Fund as a private purpose trust.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The District currently maintains Payroll funds and Student Activity Funds as Agency Funds.

E. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

E. Basis of Accounting (continued):

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net position) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

In its accounting and financial reporting, the Willingboro Township Board of Education follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The Willingboro Township Board of Education's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

F. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the first Tuesday in November. Budgets are prepared using the modified

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 1. Summary of Significant Accounting Policies (continued):

F. Budgets/Budgetary Control: (continued):

accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. 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 grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting 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, includes all amendments to the adopted budget, if any.

The following presents a reconciliation of the special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual — General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types:

**Notes to Required Supplementary Information
Budgetary Comparison Schedule**

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$75,255,289	\$3,484,817

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 1. Summary of Significant Accounting Policies (continued):

F. Budgets/Budgetary Control: (continued):

	General Fund	Special Revenue Fund
Difference — Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	\$3,652,885	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(3,584,979)</u>	_____
 Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	 <u>\$75,323,195</u>	 <u>\$ 3,484,817</u>
 Uses/Outflows of Resources		
Actual amounts (budgetary basis) “total outflows” from the budgetary comparison schedule	<u>\$71,323,195</u>	<u>\$ 3,859,817</u>
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes	_____	_____
 Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	 <u>\$71,323,195</u>	 <u>\$ 3,859,817</u>

G. 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. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the Willingboro Township Board of Education has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

G. Encumbrances (continued):

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.

H. Cash, Cash Equivalents and Investments:

Cash and Cash equivalents 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. 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.18A:20-37* provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that 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 loss of funds on deposit with a failed banking institution in New Jersey.

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 Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks 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.

I. Tuition Receivable/Payable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2016, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2013-2014 have been established. According to the School District's records, these amounts are adjustments in the financial statements.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

J. Inventories & Prepaid Expenses

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

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed.

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditure during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2016.

K. 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 Willingboro Township Board of Education and that are due within one year.

L. Capital Assets:

General fixed assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Machinery & Equipment	3 - 20 Years
Building & Other Improvements	7 - 60 Years
Infrastructure	30 Years

M. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2016 for such salaries.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

N. 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 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 District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

O. Unearned Revenue

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

P. Long-term Obligations

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

Q. Fund Balance Disclosure

In accordance with Government Accounting Standards Board, Fund Balance Reporting and Governmental Fund Type Definitions, the Willingboro Township Board of Education classifies governmental fund balances as follow:

- Non-spendable – includes fund balance amount that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Q. Fund Balance Disclosure (continued):

The Willingboro Township Board of Education uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance are available, unless prohibited by law or regulation. Additionally, the Willingboro Township Board of Education would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

R. Net Position

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified in 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 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 District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

S. Impact of Recently Issued Accounting Principles

Recently Issued and Adopted 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 GASS 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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2015

S. Impact of Recently Issued Accounting Principles (continued):

financial statements for periods beginning after June 15, 2016. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements.

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

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.

T. Subsequent Events

Willingboro Board of Education has evaluated subsequent events occurring after June 30, 2016 through the date of November 14, 2016, which is the date the financial statements were available to be issued. In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year's expenditures and is not reserved.

Note 2. Cash and Cash Equivalents and Investments

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2016, and reported at fair value are as follows:

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 2. Cash and Cash Equivalents and Investments:

Type	Carrying Value
Deposits	
Demand Deposits	<u>\$ 13,909,577</u>
Total Deposits	<u>\$ 13,909,577</u>
Reconciliation of Statements of Net Position:	
Governmental Funds	\$11,736,368
Enterprise Funds	919,298
Fiduciary Funds	<u>1,253,911</u>
Total Cash and Cash Equivalents	<u>\$13,909,577</u>

Custodial Credit Risk — Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$14,965,595 at June 30, 2016. Of the bank balance \$250,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$14,715,595 was secured by a collateral pool held by the bank, but not in the District's name, as required by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

Investment Interest Rate Risk — The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at June 30, 2016 are provided in the above schedule.

Investment Credit Risk — The District has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 2. Cash and Cash Equivalents and Investments (continued):

- Bonds or other obligations of the District or bonds or other obligations of the local unit or units within which the District is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the District;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk — The District places no limit on the amount it may invest in any one issuer.

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The District has deposited cash in 2015 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 4. Fixed Assets:

The following schedule is a summarization of the general fixed assets by source for the fiscal year ended June 30, 2016:

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 4. Fixed Assets (continued):

	June 30, 2015	Additions	June 30, 2016
Land	\$ 1,508,465		1,508,465
Building & Improvements	95,985,018		95,985,018
Machinery & Equipment	7,591,338	746,315	8,337,653
Construction In-Progress	<u>2,986,060</u>	<u>6,128,865</u>	<u>9,114,925</u>
Subtotal	108,070,881	6,875,180	114,946,061
Accumulated Depreciation	<u>(47,958,087)</u>	<u>(3,575,476)</u>	<u>(51,533,563)</u>
Total	<u>\$60,112,794</u>	<u>3,299,704</u>	<u>63,412,498</u>

The following schedule is a summarization of the proprietary fund fixed assets recorded at historical cost by source for the fiscal year ended June 30, 2016:

	June 30, 2015	Additions	June 30, 2016
Machinery & Equipment:			
Food Service	\$788,526		788,526
Day Care	<u>27,114</u>		<u>27,114</u>
Subtotal	815,640		815,640
Accumulated Depreciation	<u>(670,640)</u>	<u>(36,597)</u>	<u>(707,237)</u>
Net Fixed Assets	<u>\$145,000</u>	<u>(36,597)</u>	<u>\$108,498</u>

Note 5. Long-Term Debt

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

	Balance 6/30/15	Increases	Retired/ Decreases	Balance 6/30/16	Due Within One Year
Compensated Absences Payable	\$ 1,862,485	236,476		2,098,961	
Other Liabilities	2,414,016		389,016	2,025,000	
Capital Leases Payable	307,735		136,540	171,195	142,824
Bonds Payable	<u>24,035,000</u>		<u>900,000</u>	<u>23,135,000</u>	<u>950,000</u>
Total	<u>\$28,619,236</u>	<u>236,476</u>	<u>1,425,556</u>	<u>27,430,156</u>	<u>\$1,092,824</u>

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 5. Long-Term Debt (continued):

A. Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with state law. All bonds are retired in serial installments within the statutory period of usefulness.

Principal and interest due on the outstanding serial bonds outstanding is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	\$ 950,000	916,181	\$ 1,866,181
2018	975,000	882,931	1,857,931
2019	1,000,000	848,807	1,848,807
2020	1,025,000	813,806	1,838,806
2021	1,025,000	777,931	1,802,931
2022-2026	5,310,000	3,310,281	8,620,281
2027-2031	5,950,000	2,205,531	8,155,531
2032-2036	6,900,000	922,438	7,822,438
Total	\$ 23,135,000	10,677,906	\$33,812,906

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO ME FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 5. Long-term Debt (continued):

C. Capital Leases Payable

The District is leasing a time management system, textbooks and other equipment under capital leases totaling \$1,056,906. All capital leases are for terms of five years. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2016:

Fiscal Year			
Ending			
June 30,	Principal	Interest	Total
2017	\$142,824	3,430	\$146,254
2018	<u>28,371</u>	<u>522</u>	<u>28,893</u>
Total	<u>\$171,195</u>	<u>3,952</u>	<u>\$175,147</u>

As of June 30, 2016, the School District has operating lease agreements in effect for the following:

Copiers and a Mailing Machine

Total operating lease payments made during the year ended June 30, 2016 and 2015 were \$49,173 and \$49,173 respectively. Future minimum lease payments are as follows:

Year	Amount
2017	\$ 49,173
2018	49,173
2019	46,048
2020	36,675
2021	<u>9,169</u>
Total Minimum Lease Payments	<u>\$190,238</u>

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 6. Pension Plans

Plan Descriptions — All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF)

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. ISA: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. 1SA: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 [03, 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 \$10,229,494 and revenue of \$10,229,494 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.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 6. Pension Plans (continued):

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

	<u>6/30/15</u>	<u>6/30/14</u>
Collective deferred outflows of resources	\$ 7,522,890,856	\$ 2,290,921,960
Collective deferred inflows of resources	623,365,110	1,834,538,115
Collective net pension liability (Non-Employer – State of New Jersey)	63,204,270,305	53,446,745,367
State’s portion of net pension liability that was associated with the district	373,594,135	144,317,866
State’s portion of the net pension liability That was associated with the district as a percentage of collective net liability	.265684392%	.2700218039%

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

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

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

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

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

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 6. Pension Plans (continued):

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

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

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

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:38.

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.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 6. Pension Plans (continued):

Contribution Requirements — The contribution policy is set by *N.J.S.A.43:5A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provide for employee contributions of 7.06% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/16	\$815,395	100%	\$ -0-
6/30/15	747,348	100%	-0-
6/30/14	716,531	100%	-0-

Public Employees Retirement System (PERS)

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 \$768,085 at June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 507,913	
Changes of assumptions	2,286,413	
Net difference between projected and actual earnings on pension plan investments		342,308
Changes in proportion and differences between District contributions and proportionate share of contributions	569,559	505,845
District contributions subsequent to the measurement date	815,395	
Total	\$ 4,179,280	848,153

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 6. Pension Plans (continued):

Additional Information

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

	<u>6/30/15</u>	<u>6/30/14</u>
Collective deferred outflows of resources	\$ 3,363,885	537,271
Collective deferred inflows of resources	\$ 848,153	1,638,000
Collective net pension liability	\$21,290,342	\$17,085,862
 District's Proportion	 .091257297%	 .091257297%

\$815,395 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended June 30:
2017	\$ 418,461
2018	418,461
2019	418,461
2020	418,461
2021	418,461
Thereafter	<u>423,425</u>
 Total	 \$ <u>2,515,732</u>

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.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 6. Pension Plans (continued):

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

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

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/An or higher. The projection of cash flows used to determine the discount rate assumed that contributions from pension 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 pension'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>Decrease</u> <u>(3.90%)</u>	<u>Discount</u> <u>(4.90%)</u>	<u>Increase</u> <u>(5.90%)</u>
District's proportionate share of the net pension liability	\$ 21,077,439	\$ 21,290,342	\$ 21,503,245

Additional detailed information about the pension plans is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/gasb-68-rpts.shtml>

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2016

Note 6. Pension Plans (continued):

Defined Contribution Retirement Plan (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of 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.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist. The District's contributions, equal to the required contribution for June 30, 2016 is \$12,205.

Note 7. Post-Retirement Benefits

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 postretirement 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 postretirement 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 prefunding 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 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 at:

<http://www.nj.gov/treasury/pensions/pdf/financial/2015divisioncombined.pdf>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2016

Note 8. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

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

New Jersey Unemployment Compensation Insurance — The District has elected to fund their New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two years:

Fiscal Year	District Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2014-2015	\$ 36,000	\$685	\$ -0-	\$597,153
2014-2015	29,197	270	-0-	634,042
2013-2014	60,344	334	-0-	604,575

Note 9. Contingent Liabilities

The Board of Education is involved in several claims and lawsuits incidental to its operations. In the opinion of the Administration and legal council, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District except for a settlement that has been accrued for under other liabilities. See Note 5.

Note 10. Economic Dependency

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the District's programs and activities.

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2016

Note 11. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2016:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$474,811	
Special Revenue Fund		\$323,090
Enterprise Fund		74,300
Fiduciary Funds		25,665
Capital Projects	<u> </u>	<u>51,756</u>
 Total	 <u>\$474,811</u>	 <u>\$474,811</u>

The purpose of these interfunds is for short-term borrowings.

Note 12. Fund Balance Appropriated

General Fund (Exhibit B-1) — Of the \$2,656,586 General Fund balance at June 30, 2016, \$3,146,536 has been restricted for Excess Surplus; \$609,478 has been restricted for Excess Surplus Designated for Subsequent Year's Expenditures; \$656,553 has been restricted for Additional Designated for Subsequent Year's Expenditures and (\$1,755,981) is unassigned.

Note 13. Deferred Compensation

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

ING Life Insurance and Annuity Co	AXA Equitable Life Insurance
Oppenheimer Funds	Lincoln Investment Planning
Valic	Midland

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

Note 14. Compensated Absences

The 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.

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2016 is \$2,098,961.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2016 no liability existed for compensated absences in the proprietary fund types.

Note 15. Calculation of Excess Surplus

In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2005, c.73 (S1701), the designation for Restricted Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2016 is \$4,412,567 of which \$1,266,031 was appropriated in the 2016-2017 budget. The balance of \$3,146,536 will be appropriated in 2017-2018.

Note 16. Grant Anticipation Note

On May 29, 2013 the Willingboro Board of Education authorized the issuance of Promissory Notes to be called "Grant Anticipation Notes" in the amount not to exceed \$11,000,000. The proceeds of such notes shall be applied only to purposes of the school district's school facilities project for which the grant was awarded from New Jersey Schools Development Authority. The District received the note proceeds on July 11, 2013. On December 22, 2015 the District renewed the Note for \$7,600,000 with an interest rate of 2.00% and matures December 22, 2016.

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

Note 17. Deficit Unrestricted Net Position and Unassigned Fund Balance

The District has a deficit in unrestricted net position of \$22,831,262 as reported in the statement of net position (accrual basis). The District also has a deficit in unassigned fund balance of \$1,755,981 in the General Fund shown on Exhibit B-1. The deficits resulted from recording the June 2016 state aid payments in accordance with N.J.S.A. 18A: 22-44.2 which provides that in the event state school aid payments are not made until the following school budget year, districts must record the state aid payments as revenue, for budget purposes only, in the current school budget year. For intergovernmental transactions, GASB Statement No. 33 requires 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. Also contributing to the deficit in net assets is the amount of compensated absences, \$2,098,961 and pension liability, \$21,077,439 both recorded on the accrual basis. While reflected as liabilities, the obligations will not be funded until a future date coincident with termination and/or retirement of services. Due to the resulting timing differences, the deficits do not alone indicate that the 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 payment of state aid until the following fiscal year, is not considered in violation of New Jersey stature and regulation nor is need of corrective action. The District deficit in the GAAP fund statements of \$1,755,981 is less than the last state aid payments.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	10-1210-000	\$28,168,680		28,168,680	28,168,680	
Tuition	10-1300-000	300,000		300,000	567,078	267,078
Transportation Fees from LEAs	10-1420-000	50,000		50,000	1,485	(48,515)
Interest Earned	10-1510-000	1,000		1,000	13,585	12,585
Rentals Facility	10-1910-000	325,000		325,000	317,855	(7,145)
Miscellaneous Revenue	10-1990-000	300,000		300,000	522,503	222,503
Total Local Sources		29,144,680		29,144,680	29,591,186	446,506
State Sources:						
Transportation Aid	10-3120-000	470,570		470,570	470,570	
Extraordinary Aid	10-3131-000	350,000		350,000	395,722	
Categorical Special Education Aid	10-3132-000	2,391,334		2,391,334	2,391,334	
Equalization Aid	10-3176-000	34,387,336		34,387,336	34,387,336	
Categorical Security Aid	10-3177-000	1,086,670		1,086,670	1,086,670	
Other State Aid	10-3190-000	77,820		77,820	77,820	
Nonpublic Transportation Aid					46,569	46,569
Nonbudgeted:						
On-Behalf TPAF Pension Contribution					2,085,661	2,085,661
On-Behalf TPAF Post-Retirement Medical Contribution					2,483,447	2,483,447
Reimbursed TPAF Social Security Contributions					2,148,023	2,148,023
Total State Sources		38,763,730		38,763,730	45,573,152	6,763,700
Federal Sources:						
Medicaid Reimbursement	10-4200-000	146,757		146,757	90,951	(55,806)
Total Federal Services		146,757		146,757	90,951	(55,806)
Total Revenues		68,055,167		68,055,167	75,255,289	7,154,400
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Preschool Local Contribution - Regular	11-105-100-935	300,000		300,000	300,000	
Preschool Local Contribution - Inclusion	11-105-100-936	75,000		75,000	75,000	
Kindergarten	11-110-100-101	1,066,804	(22,000)	1,044,804	996,399	48,405
Grades 1 - 5	11-120-100-101	6,010,869	(97,100)	5,913,769	5,664,011	249,758
Grades 6 - 8	11-130-100-101	3,002,866	353,900	3,356,766	3,259,149	97,617
Grades 9 - 12	11-140-100-101	3,764,313	116,500	3,880,813	3,683,902	196,911
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	120,000	43,000	163,000	162,517	483
Purchased Professional/ Educational Services	11-150-100-320	15,000	6,000	21,000	10,951	10,049
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	69,135	(18,000)	51,135	46,297	4,838
Purchased Professional/ Educational Services	11-190-100-320	814,500	191,265	1,005,765	990,172	15,593
Purchased Technical Services	11-190-100-340	213,191	(19,100)	194,091	193,349	742
General Supplies	11-190-100-610	1,124,994	(225,553)	899,441	889,425	10,016
Textbooks	11-190-100-640	311,042	(134,676)	176,366	172,021	4,345

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Regular Programs - Undistributed Instruction (continued):						
Other Objects	11-190-100-891	52,714	(19,548)	33,166	29,780	3,386
Total Regular Programs - Instruction		16,940,428	174,688	17,115,116	16,472,973	642,143
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	2,866,636	(497,100)	2,369,536	2,275,449	94,087
Other Salaries for Instruction	11-204-100-106	119,054	1,600	120,654	110,709	9,945
General Supplies	11-204-100-610		7,700	7,700	7,602	98
Total Learning and/or Language Disabilities		2,985,690	(487,800)	2,497,890	2,393,760	104,130
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	487,047	31,200	518,247	496,735	21,512
Other Salaries for Instruction	11-209-100-106	14,090	2,913	17,003	14,350	2,653
General Supplies	11-209-100-610		400	400		400
Total Behavioral Disabilities		501,137	34,513	535,650	511,085	24,565
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	565,230	269,500	834,730	801,298	33,432
Other Salaries for Instruction	11-212-100-106	71,839	(17,000)	54,839	49,551	5,288
General Supplies	11-212-100-610		3,800	3,800		3,800
Total Multiple Handicapped		637,069	256,300	893,369	850,849	42,520
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101		59,800	59,800	57,312	2,488
Other Salaries for Instruction	11-213-100-106	95,315	44,800	140,115	127,675	12,440
General Supplies	11-213-100-610		5,400	5,400	5,318	82
Total Resource Room/Resource Center		95,315	110,000	205,315	190,305	15,010
Autism:						
Salaries of Teachers	11-214-100-101	334,022	68,500	402,522	386,041	16,481
Other Salaries for Instruction	11-214-100-106	70,888	24,500	95,388	86,698	8,690
General Supplies	11-214-100-610		10,400	10,400	9,978	422
Total Autism		404,910	103,400	508,310	482,717	25,593
Preschool Disabilities - Full-Time:						
Salaries of Teachers	11-216-100-101	229,373		229,373	216,211	13,162
Other Salaries for Instruction	11-216-100-106	122,303	(19,087)	103,216	95,559	7,657
General Supplies	11-216-100-610		5,000	5,000		5,000
Total Preschool Disabilities - Full-Time		351,676	(14,087)	337,589	311,770	25,819
Total Special Education - Instruction		4,975,797	2,326	4,978,123	4,740,486	237,637
Bilingual Education:						
Salaries of Teachers	11-240-100-101	193,300	(68,200)	125,100	120,667	4,433
Total Bilingual Education		193,300	(68,200)	125,100	120,667	4,433

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	210,568	10,449	221,017	176,274	44,743
Purchased Services	11-401-100-500	1,500		1,500	1,344	156
Supplies and Materials	11-401-100-600					
Total School Sponsored Cocurricular Activities		212,068	10,449	222,517	177,618	44,899
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	438,973		438,973	412,085	26,888
Purchased Services	11-402-100-500	49,028	(11,007)	38,021	37,865	156
Supplies and Materials	11-402-100-600	48,500	(12,201)	36,299	35,566	733
Other Objects	11-402-100-800	15,890	(342)	15,548	15,387	161
Total School Sponsored Athletics - Instruction		552,391	(23,550)	528,841	500,903	27,938
Alternative Education Programs - Instruction						
Salaries of Teachers	11-423-100-101	557,581	(43,200)	514,381	432,615	81,766
Salaries	11-423-100-106	18,568	(16,300)	2,268		2,268
General Supplies	11-423-100-610		2,850	2,850	2,479	371
Total Alternative Education Programs - Instruction		576,149	(56,650)	519,499	435,094	84,405
Alternative Education Programs - Support Services						
Salaries	11-423-200-100	150,010	1,300	151,310	148,540	2,770
Total Alternative Education Programs - Support Services		150,010	1,300	151,310	148,540	2,770
Other Supplemental/At-Risk Programs - Instruction						
Salaries of Reading Specialists	11-424-100-179	445,311	15,000	460,311	441,080	19,231
Total Alternative Education Programs - Support Services		445,311	15,000	460,311	441,080	19,231
Total - Instruction		24,045,454	55,363	24,100,817	23,037,361	1,063,456
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEA's - State Regular	11-000-100-561	175,000	65,777	240,777	203,936	36,841
Tuition to Other LEA's - State Special	11-000-100-562		73,000	73,000	66,271	6,729
Tuition to County Vocational School Regular	11-000-100-563	2,025,000	108,280	2,133,280	2,133,280	
Tuition to CSSD & Regional Day School	11-000-100-565	4,552,182	(854,761)	3,697,421	3,536,470	160,951
Tuition to Private Schools For The Handicapped - State	11-000-100-566	2,722,004	(202,701)	2,519,303	2,399,373	119,930
Tuition - State Facilities	11-000-100-568	341,470		341,470	341,470	
Tuition - Other	11-000-100-569	172,755	(25,000)	147,755	141,769	5,986
Total Undistributed Expenditures - Instruction		9,988,411	(835,405)	9,153,006	8,822,569	330,437

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Attendance & Social Work Services:						
Salaries	11-000-211-100	187,528	32,500	220,028	182,174	37,854
Salaries of Family Liaisons	11-000-211-173	128,471	(62,800)	65,671	62,985	2,686
Purchased Professional/ Technical Services	11-000-211-340	30,000	5,000	35,000	35,000	
Other Purchased Services	11-000-211-580	250		250		250
Supplies and Materials	11-000-211-610	2,500	2,100	4,600	3,209	1,391
Total Attendance & Social Work Services		348,749	(23,200)	325,549	283,368	42,181
Health Services:						
Salaries	11-000-213-100	642,925	26,800	669,725	574,270	95,455
Purchased Professional & Technical Services	11-000-213-300	64,000	190,000	254,000	248,129	5,871
Supplies and Materials	11-000-213-600	6,403	1,315	7,718	6,676	1,042
Total Health Services		713,328	218,115	931,443	829,075	102,368
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	508,242	(22,800)	485,442	471,353	14,089
Purchased Professional - Educational Services	11-000-216-320		31,281	31,281	30,970	311
Supplies and Materials	11-000-216-600		9,000	9,000	8,833	167
Total Other Support Services - Students - Related - Services		508,242	17,481	525,723	511,156	14,567
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	586,168	27,200	613,368	562,233	51,135
Purchased Professional - Educational Services	11-000-217-320	90,000	47,000	137,000	136,092	908
Total Other Support Services - Students - Extra Services		676,168	74,200	750,368	698,325	52,043
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	762,251	(8,800)	753,451	694,169	59,282
Salaries of Secretarial & Clerical Assistants	11-000-218-105	56,826	1,300	58,126	54,619	3,507
Other Purchased Professional & Technical Services	11-000-218-390	11,899	7,000	18,899	11,899	7,000
Supplies and Materials	11-000-218-600	12,850	(821)	12,029	8,591	3,438
Total Other Support Services - Students - Regular		843,826	(1,321)	842,505	769,278	73,227
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	1,494,691	17,165	1,511,856	1,264,252	247,604

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Other Support Services - Students - Special Services (continued):						
Salaries of Secretarial & Clerical Assistants	11-000-219-105	155,470	(4,611)	150,859	142,077	8,782
Unused Vacation Payment to Terminated/ Retired Staff	11-000-219-199	8,000		8,000	1,088	6,912
Purchased Professional - Educational Services	11-000-219-320	159,083	13,446	172,529	155,986	16,543
Other Purchased Professional & Technical Services	11-000-219-390	9,083		9,083	9,082	1
Miscellaneous Purchased Services	11-000-219-592	2,000		2,000	1,384	616
Supplies and Materials	11-000-219-600	20,000	26,491	46,491	36,585	9,906
Other Objects	11-000-219-800					
Total Other Support Services - Students - Special Services		1,848,327	52,491	1,900,818	1,610,454	290,364
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	280,691	2,000	282,691	282,506	185
Salaries of Other Professional Staff	11-000-221-104		4,000	4,000	3,764	236
Salaries of Secretarial & Clerical Assistants	11-000-221-105	99,904	9,800	109,704	106,034	3,670
Unused Vacation Payment to Terminated/ Retired Staff	11-000-221-199	25,000		25,000	6,677	18,323
Other Purchased Professional & Technical Services	11-000-221-390	2,539		2,539	2,539	
Supplies and Materials	11-000-221-600	4,100	(1,000)	3,100	1,034	2,066
Other Objects	11-000-221-800					
Total Improvement of Instruction Services/Other Support Services Instructional Staff		412,234	14,800	427,034	402,554	24,480
Educational Media Services/School Library:						
Salaries	11-000-222-100	630,242	(7,400)	622,842	572,896	49,946
Salaries of Technology	11-000-222-177	76,906	400	77,306	77,283	23
Purchased Professional & Technical Services	11-000-222-300	76,145	(19,750)	56,395	56,362	33
Supplies and Materials	11-000-222-600	12,045	1,170	13,215	9,389	3,826
Total Educational Media Services/School Library		795,338	(25,580)	769,758	715,930	53,828
Instructional Staff Training Services:						
Purchased Professional - Educational Services	11-000-223-320	32,000	3,000	35,000	34,688	312
Other Purchased Services	11-000-223-500	5,500	5,000	10,500	7,647	2,853
Total Instructional Staff Training Services		37,500	8,000	45,500	42,335	3,165

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Support Services General Administration:						
Salaries	11-000-230-100	574,481	19,500	593,981	587,705	6,276
Tuition Reimbursemt	11-000-230-280		4,920	4,920	4,920	
Legal Services	11-000-230-331	450,000		450,000	445,107	4,893
Audit Fees	11-000-230-332	45,000	(1,160)	43,840	43,840	
Other Purchased Professional Services	11-000-230-339	5,085		5,085	5,085	
Communications/Telephone	11-000-230-530	620,460	(9,760)	610,700	587,362	23,338
BOE Other Purchased Services	11-000-230-585	7,000	(1,700)	5,300	4,336	964
Other Purchased Services	11-000-230-590	11,314	700	12,014	11,119	895
Supplies and Materials	11-000-230-610	4,000		4,000	3,012	988
In-House Training	11-000-230-630	5,000		5,000	2,841	2,159
Judgment Against District	11-000-230-820	75,000	50,000	125,000	125,000	
Miscellaneous Expenditures	11-000-230-890	4,500	1,250	5,750	5,600	150
BOE Membership Dues and Fees	11-000-230-895	29,000	(3,250)	25,750	25,730	20
Total Support Services General Administration		1,830,840	60,500	1,891,340	1,851,657	39,683
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	1,780,487	9,000	1,789,487	1,713,635	75,852
Salaries of Secretarial & Clerical Assistants	11-000-240-105	751,606		751,606	656,317	95,289
Supplies and Materials	11-000-240-600	31,870	(9,823)	22,047	18,853	3,194
Other Objects	11-000-240-800	19,205	2,565	21,770	20,642	1,128
Total Support Services School Administration		2,583,168	1,742	2,584,910	2,409,447	175,463
Central Services:						
Salaries	11-000-251-100	878,067	(7,000)	871,067	822,572	48,495
Purchased Professional Services	11-000-251-330	8,739	6,500	15,239	14,863	376
Purchased Technical Services	11-000-251-340	26,071	32,495	58,566	57,066	1,500
Miscellaneous Purchased Services	11-000-251-592	3,750	(750)	3,000	2,796	204
Supplies and Materials	11-000-251-610	27,000	(3,981)	23,019	21,601	1,418
Interest on Lease Purchase Agreements	11-000-251-832	3,084		3,084	3,084	
Interest on Bond Anticipation Notes	11-000-251-836	95,000		95,000	95,000	
Miscellaneous Expenditures	11-000-251-890	4,400	50	4,450	4,105	345
Total Central Services		1,046,111	27,314	1,073,425	1,021,087	52,338
Administrative Information Technology:						
Salaries	11-000-252-100	177,803	(48,800)	129,003	67,383	61,620
Purchased Technical Services	11-000-252-340	48,966	60,250	109,216	105,282	3,934
Other Purchased Services	11-000-252-500	2,500		2,500	330	2,170
Supplies and Materials	11-000-252-600	17,000	(8,470)	8,530	1,731	6,799
Total Administrative Information Technology		246,269	2,980	249,249	174,726	74,523

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	639,706		639,706	557,516	82,190
Unused Vacation Payment to Terminated/ Retired Staff	11-000-261-199	5,000		5,000		5,000
Cleaning, Repair & Maintenance Services	11-000-261-420	377,000	(89,751)	287,249	218,505	68,744
General Supplies	11-000-261-610	30,000	(1,932)	28,068	28,023	45
Total Allowable Maintenance for School Facilities		1,051,706	(91,683)	960,023	804,044	155,979
Other Operation & Maintenance of Plant:						
Salaries	11-000-262-100	1,820,114	40,300	1,860,414	1,627,473	232,941
Salaries of Non Instructional Aides	11-000-262-107	177,797	3,400	181,197	153,291	27,906
Unused Vacation Payment to Terminated/ Retired Staff	11-000-262-199	10,000		10,000		10,000
Purchased Professional & Technical Services	11-000-262-300	200,000	(20,849)	179,151	179,151	
Cleaning, Repair & Maintenance Services	11-000-262-420	210,000	(2,775)	207,225	181,196	26,029
Other Purchased Property Services	11-000-262-490	55,000	10,000	65,000	65,000	
Insurance	11-000-262-520	1,008,000	53,261	1,061,261	1,061,208	53
Miscellaneous Purchased Services	11-000-262-590	5,000	(1,000)	4,000	3,891	109
General Supplies	11-000-262-610	347,000	15,564	362,564	361,911	653
Energy (Natural Gas)	11-000-262-621	350,000	(87,800)	262,200	232,350	29,850
Energy (Electricity)	11-000-262-622	1,158,477	492,850	1,651,327	1,281,433	369,894
Other Objects	11-000-262-800	1,500		1,500	825	675
Total Other Operation & Maintenance of Plant		5,342,888	502,951	5,845,839	5,147,729	698,110
Care & Upkeep of Grounds:						
Salaries	11-000-263-100	89,268		89,268	65,200	24,068
Unused Vacation Payment to Terminated/ Retired Staff	11-000-263-199	5,000		5,000		5,000
Purchased Professional & Technical Services	11-000-263-300	180,000	(12,000)	168,000	159,501	8,499
CLN, RPR, Maintenance Services	11-000-263-420					
General Supplies	11-000-263-610	8,000	15,225	23,225	20,593	2,632
Total Care & Upkeep of Grounds		282,268	3,225	285,493	245,294	40,199
Security:						
Salaries	11-000-266-100	692,249	28,700	720,949	675,231	45,718
Purchased Professional & Technical Services	11-000-266-300	215,233	19,000	234,233	219,683	14,550
Cleaning, Repair & Maintenance Services	11-000-266-420					
General Supplies	11-000-266-610	12,000	2,500	14,500	10,652	3,848
Other Objects	11-000-266-800	100		100		100
Total Security		919,582	50,200	969,782	905,566	64,216

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Student Transportation Services:						
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	121,582	1,600	123,182	121,384	1,798
Other Purchased Professional & Technical Services	11-000-270-390	6,650		6,650	4,450	2,200
Aid in Lieu - Non Public Schools	11-000-270-503	229,840	(13,000)	216,840	216,784	56
Aid in Lieu - Charter Schools	11-000-270-504	17,680		17,680	12,042	5,638
Contracted Services (Between Home & School) - Vendors	11-000-270-511	760,590	23,000	783,590	783,362	228
Contracted Services (Other Than Between Home & School)-Vendors	11-000-270-512	212,000	(10,800)	201,200	192,319	8,881
Contracted Services (Special Education Students) - Vendors	11-000-270-514	1,689,277	233,000	1,922,277	1,921,454	823
Contracted Services (Special Education Students) - Joint Agreements	11-000-270-515	45,000	(22,000)	23,000	22,987	13
Contracted Services (Special Education Students) - ESCs & CTSAs	11-000-270-518	190,000	(3,000)	187,000	186,700	300
General Supplies	11-000-270-610	206,000	(66,000)	140,000	138,800	1,200
Total Student Transportation Services		3,478,619	142,800	3,621,419	3,600,282	21,137
Unallocated Benefits Employee Benefits:						
Social Security	11-000-291-220	650,000	650,000	650,800	650,681	119
TPAF Contributions - ERIP	11-000-291-232	1,100	200	1,300	1,200	100
Other Retirement Payments	11-000-291-241	870,000	(35,600)	834,400	827,600	6,800
Unemployment Compensation	11-000-291-250	50,000	7,000	57,000	40,492	16,508
Workers Compensation	11-000-291-260	75,000	(42,000)	33,000	1,630	31,370
Health Benefits	11-000-291-270	8,870,900	(36,400)	8,834,500	8,670,724	163,776
Tuition Reimbursement	11-000-291-280	59,000		59,000	47,508	11,492
Other Employee Benefits	11-000-291-290	248,000		248,000	59,426	188,574
Total Unallocated Benefits - Employee Benefits		10,824,000	(106,000)	10,718,000	10,299,261	418,739
Nonbudgeted:						
On-Behalf TPAF Pension Contributions					2,085,661	(2,085,661)
On-Behalf TPAF Post-Retirement Medical Contribution					2,483,447	(2,483,447)
Reimbursed TPAF Social Security Contributions					2,148,023	(2,148,023)
Total Undistributed Expenditures		43,777,574	93,610	43,871,184	47,861,268	(3,990,084)
Total Expenditures - Current Expense		67,823,028	148,973	67,972,001	70,898,629	(2,926,628)
Capital Outlay:						
Equipment:						
Preschool	12-105-100-730		5,000	5,000	4,851	149
Grades 6-8	12-130-100-730		41,000	41,000	40,455	545
Grades 9-12	12-140-100-730	6,060	690	6,750	6,750	
Special Education - Instruction:						
Autism	12-214-100-732		4,800	4,800	4,397	403
School Sponsored & Other						
Instruction	12-402-100-732		23,550	23,550	23,519	31
Admin Information Technology	12-000-252-730		7,970	7,970	7,964	6
Required Maintenance School Facilities	12-000-261-730		15,400	15,400	4,879	10,521

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Capital Outlay (continued):						
Custodial Equipment	12-000-262-730		231,113	231,113	125,920	105,193
SEC Equipment	12-000-266-730	586,623	(19,000)	567,623	562,252	5,371
Total Equipment		592,683	310,523	903,206	780,987	122,219
Facilities Acquisition & Construction Services:						
Construction Services	12-000-400-450			71,937	71,937	
Other Objects	12-000-400-800	71,937				
Total Acquisition & Construction Services		71,937		71,937	71,937	
Total Capital Outlay		664,620	310,523	975,143	852,924	122,219
Total Expenditures		68,487,648	459,496	68,947,144	71,751,553	(2,804,409)
Excess/(Deficiency) of Revenues Over/(Under)						
Expenditures Before Other Financing Sources/(Uses)		(432,481)	(459,496)	(891,977)	3,503,736	4,349,991
Other Financing Sources/(Uses):						
Transfer from Other Funds	10-5200-000	150,000		150,000	25,000	(125,000)
Transfer to Charter School		(2,212,392)	(103,123)	(2,315,515)	(2,315,252)	(263)
Total Other Financing Sources/(Uses)		(2,062,392)	(103,123)	(2,165,515)	(2,290,252)	(125,263)
Excess/(Deficiency) of Revenues Over/(Under)						
Expenditures After Other Financing Sources/(Uses)		(2,494,873)	(562,619)	(3,057,492)	1,213,484	4,224,728
Fund Balances, July 1		5,028,081		5,028,081	5,028,081	
Fund Balances, June 30		\$2,533,208	(562,619)	1,970,589	6,241,565	4,224,728

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:		
Excess Surplus		3,146,536
Additional Designated for Subsequent Year's Expenditures		656,553
Excess Surplus - Designated for Subsequent Year's Expenditures		609,478
Assigned Fund Balance:		
Year-end Encumbrances		86,019
Designated for Subsequent Year's Expenditures		
Unassigned Fund Balance		<u>1,742,979</u>
Subtotal		<u>6,241,565</u>
Reconciliation to Governmental Funds Statements (GAAP):		
Last State Aid Payment Not Recognized on GAAP Basis		<u>(3,584,979)</u>
Fund Balance per Governmental Funds (GAAP)		<u>\$2,656,586</u>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES					
Local Sources		17,891	17,891	17,891	
State Sources	\$1,500,537	(120,651)	1,379,886	1,379,886	
Federal Sources	2,321,000	(233,960)	2,087,040	2,087,040	
Total Revenues	3,821,537	(336,720)	3,484,817	3,484,817	
EXPENDITURES:					
Instruction:					
Salaries of Teachers	824,141	(95,165)	728,976	728,976	
Other Salaries for Instruction	168,097	(22,183)	145,914	145,914	
Purchased Professional & Technical Services	13,142	(3,904)	9,238	9,238	
Other Purchased Services (400-500 Series)		2,000	2,000	2,000	
Tuition	1,165,000	(354,813)	810,187	810,187	
Textbooks	10,000	(1,594)	8,406	8,406	
General Supplies	213,665	38,153	251,818	251,818	
Other Objects	10,000	(6,689)	3,311	3,311	
Total Instruction	2,404,045	(444,195)	1,959,850	1,959,850	
Support Services:					
Salaries of Supervisors	314,975	151,301	466,276	466,276	
Salaries of Secretarial & Clerical Assistants		66,463	66,463	66,463	
Personal Services - Employee Benefits	703,033	64,874	767,907	767,907	
Purchased Educational Services	169,000	(39,868)	129,132	129,132	
Other Purchased Services	20,000	(20,000)			
Travel	18,085	701	18,786	18,786	
Other Purchased Professional Services	542,793	(115,335)	427,458	427,458	
Purchased Professional - Technical Services					
Supplies & Materials	15,006	7,581	22,587	22,587	
Miscellaneous Expenditures	9,600	(8,242)	1,358	1,358	
Total Support Services	1,792,492	107,475	1,899,967	1,899,967	
Total Expenditures	4,196,537	(336,720)	3,859,817	3,859,817	
Other Financing Sources/(Uses):					
Transfer in from General Fund	375,000		375,000	375,000	
Total Other Financing Sources/(Uses)	375,000		375,000	375,000	
Total Outflows	3,821,537	(336,720)	3,484,817	3,484,817	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	-	-	-	-

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART II

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$75,255,289	3,484,817
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	3,652,885	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(3,584,979)	
	<hr/>	
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<hr/> <u>\$75,323,195</u>	<hr/> <u>3,484,817</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	<hr/> <u>\$71,751,553</u>	<hr/> <u>3,859,817</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<hr/> <u>\$71,751,553</u>	<hr/> <u>3,859,817</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

EXHIBIT L-1

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY - PERS ***

	<u>2015</u>	<u>2014</u>	<u>2013</u>
State's Proportion of the Net Pension Liability (Asset)	0.055%	0.044%	0.047%
State's Proportionate Share of the Net Pension Liability (Asset)	\$21,290,342	17,085,862	18,174,787
District's covered employee payroll	\$5,944,063	6,199,903	6,310,202
Plan Fiduciary Net Position as a Percentage of the Total Pension	52.08%	47.92%	48.72%

EXHIBIT L-2

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - PERS
SCHEDULE OF CONTRIBUTIONS ***

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially Determined Contribution	\$815,395	752,312	716,531
Contributions in relation to the Actuarially Determined Contributions	815,395	752,312	716,531
	-	-	-
Covered-Employee Payroll	\$5,944,063	6,199,903	6,310,202
Contributions as a Percentage of Covered- Employee Payro	13.72%	12.13%	11.36%

EXHIBIT L-3

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY - TPAF ***

	<u>2015</u>	<u>2014</u>	<u>2013</u>
State's Proportion of the Net Pension Liability (Asset)	0.265%	0.268%	0.276%
State's Proportionate Share of the Net Pension Liability (Asset)	167,534,573	144,317,866	139,984,346

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

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NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART III

WILLINGBORO TOWNSHIP BOARD OF EDUCATION

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2016

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 males and 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-200 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

Teachers' 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.

Additional detailed information about the pension plans is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>

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OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NO CHILD LEFT BEHIND

	TITLE I	TITLE II A	TITLE III	TITLE III IMMIGRANT	I.D.E.A. PART B	I.D.E.A. PRESCHOOL
Revenues:						
Local Sources						
State Sources						
Federal Sources	\$740,003	170,642	17,234	17,982	1,098,555	34,492
Transfers from Operating Budget						
Total Revenues	\$740,003	170,642	17,234	17,982	1,098,555	34,492
Expenditures:						
Instruction:						
Salaries of Teachers	\$28,092				33,071	
Other Salaries for Instruction						
Purchased Professional Services	9,238					
Other Purchased Services						
Tuition					776,023	34,164
Textbooks						
General Supplies	173,109		4,901	5,071	17,730	328
Other Objects						
Total Instruction	210,439		4,901	5,071	826,824	34,492
Support Services:						
Salaries of Supervisors	232,056	20,278	624		213,318	
Salaries of Secretarial & Clerical Assistants						
Personal Services - Employee Benefits	48,904				28,030	
Purchased Educational Services						
Other Purchased Services						
Travel		18,786				
Other Purchased Professional Services	236,208	131,578	11,440	12,911	30,383	
Purchased Professional - Technical Services						
Supplies & Materials	12,396					
Miscellaneous Expenditures			269			
Total Support Services	529,564	170,642	12,333	12,911	271,731	
Total Expenditures	\$740,003	170,642	17,234	17,982	1,098,555	34,492

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	PERKINS GRANT	PRESCHOOL EDUCATION	NONPUBLIC			NURSING AID
			TEXTBOOK AID	COMPENSATORY EDUCATION AID	ESL AID	
Revenues:						
Local Sources						
State Sources		1,236,198	8,406	63,196	4,055	14,040
Federal Sources	\$8,132					
Transfers from Operating Budget		375,000				
Total Revenues	\$8,132	1,611,198	8,406	63,196	4,055	14,040
Expenditures:						
Instruction:						
Salaries of Teachers		667,813				
Other Salaries for Instruction		145,914				
Purchased Professional Services						
Other Purchased Services		2,000				
Tuition						
Textbooks			8,406			
General Supplies	8,132	24,925				
Other Objects		3,311				
Total Instruction	8,132	843,963	8,406			
Support Services:						
Salaries of Supervisors						
Salaries of Secretarial & Clerical Assistants		66,463				
Personal Services - Employee Benefits		690,973				
Purchased Educational Services		1,219		63,196	4,055	14,040
Other Purchased Services						
Travel						
Other Purchased Professional Services		4,938				
Purchased Professional - Technical Services						
Supplies & Materials		2,822				
Miscellaneous Expenditures		820				
Total Support Services		767,235		63,196	4,055	14,040
Total Expenditures	\$8,132	1,611,198	8,406	63,196	4,055	14,040

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	NONPUBLIC					
	SUPPLEMENTAL INSTRUCTION AID	EXAMINATION & CLASSIFICATION AID	TECHNOLOGY	SPEECH AID	SECURITY	TARGET
Revenues:						
Local Sources						1,329
State Sources	12,624	16,022	3,619	17,976	3,750	
Federal Sources						
Tranfers from Operating Budget						
Total Revenues	12,624	16,022	3,619	17,976	3,750	1,329
Expenditures:						
Instruction:						
Salaries of Teachers						
Other Salaries for Instruction						
Purchased Professional Services						
Other Purchased Services						
Tuition						
Textbooks						
General Supplies						1,329
Other Objects						
Total Instruction						1,329
Support Services:						
Salaries of Supervisors						
Salaries of Secretarial & Clerical Assistants						
Personal Services - Employee Benefits						
Purchased Educational Services	12,624	16,022		17,976		
Other Purchased Services						
Travel						
Other Purchased Professional Services						
Purchased Professional - Technical Services						
Supplies & Materials			3,619		3,750	
Miscellaneous Expenditures						
Total Support Services	12,624	16,022	3,619	17,976	3,750	
Total Expenditures	\$12,624	16,022	3,619	17,976	3,750	1,329

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	CHARTWELLS GRANT	STAFF HONORARY	HAWTHORNE PTA	GOLD STAR GALA	TOTAL
Revenues:					
Local Sources	656	2,775	12,863	268	17,891
State Sources					1,379,886
Federal Sources					2,087,040
Tranfers from Operating Budget					375,000
Total Revenues	656	2,775	12,863	268	3,859,817
Expenditures:					
Instruction:					
Salaries of Teachers					728,976
Other Salaries for Instruction					145,914
Purchased Professional Services					9,238
Other Purchased Services					2,000
Tuition					810,187
Textbooks					8,406
General Supplies	656	2,506	12,863	268	251,818
Other Objects					3,311
Total Instruction	656	2,506	12,863	268	1,959,850
Support Services:					
Salaries of Supervisors					466,276
Salaries of Secretarial & Clerical Assistants					66,463
Personal Services - Employee Benefits					767,907
Purchased Educational Services					129,132
Other Purchased Services					18,786
Travel					18,786
Other Purchased Professional Services					427,458
Supplies & Materials					22,587
Miscellaneous Expenditures		269			1,358
Total Support Services		269			1,899,967
Total Expenditures	\$656	2,775	12,863	268	3,859,817

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AND AID OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

DISTRICT-WIDE TOTAL	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$672,030	667,813	4,217
Other Salaries for Instruction	168,097	145,914	22,183
Other Purchased Services	2,000	2,000	
General Supplies	28,755	24,925	3,830
Other Objects	10,000	3,311	6,689
	<hr/>	<hr/>	<hr/>
Total Instruction	880,882	843,963	36,919
Support Services:			
Salaries of Secretarial & Clerical Assistants	66,463	66,463	
Personal Services - Employee Benefits	698,120	690,973	7,147
Other Purchased Educational Services	5,000	1,219	3,781
Other Purchased Professional Services	20,000	4,938	15,062
Travel	4,700		4,700
Supplies & Materials	3,980	2,822	1,158
Miscellaneous Expenditures	820	820	
	<hr/>	<hr/>	<hr/>
Total Support Services	799,083	767,235	31,848
	<hr/>	<hr/>	<hr/>
Total Expenditures	\$1,679,965	1,611,198	68,767
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CALCULATION OF BUDGET & CARRYOVER

Total 2014-2015 Preschool Education Aid Allocation	\$1,569,701
Add: Actual Preschool Education Aid Carryover (June 30, 2014)	194,426
Add: Budgeted Transfer from the General Fund 2014-2015	<hr/>
Total Preschool Education Aid Funds Available for 2014-2015 Budget	1,764,127
Less: 2014-2015 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)	<hr/> (1,679,965) <hr/>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2015	84,162
Add: June 30, 2015 Unexpended Preschool Education Aid Funds	68,767
Less: 2014-2015 Commissioner-approved Transfer to the General Fund	<hr/>
2014-2015 Carryover - Preschool Education Aid Funds	<hr/> <hr/> \$152,929
2014-2015 Preschool Education Aid Funds Carryover Budgeted in 2015-2016	<hr/> <hr/> \$68,767

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F. Capital Projects Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NUMBER	PROJECT TITLE	ORIGINAL APPROPRIATIONS	REVISED AUTHORIZED COSTS	EXPENDITURES TO DATE		(OVER)/UNDER EXPENDED BALANCE
				PRIOR YEAR	CURRENT YEAR	
2004	Levitt Middle School	\$3,574,041	3,574,041	3,538,968		35,073
2004	Other Projects	52,646	52,646	23,341		29,305
2010	Levitt Middle School Renovations	8,080,182	9,206,961	3,074,454	6,128,865	3,642
Total		\$11,706,869	12,833,648	6,636,763	6,128,865	68,020

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Revenues & Other Financing Sources:	
State Sources - SCC Grant	
Bond Proceeds & Transfers	-
	<hr/>
Total Revenues	-
	<hr/>
Expenditures & Other Financing Uses:	
Purchased Professional & Technical Services	\$348,196
Construction Services	5,780,669
Instructional Equipment	-
Miscellaneous Expenditures	-
	<hr/>
Total Expenditures	6,128,865
	<hr/>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(6,128,865)
Fund Balance - Beginning	6,196,885
	<hr/>
Fund Balance - Ending	\$68,020
	<hr/> <hr/>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
UPGRADES TO LEVITT MIDDLE SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$1,986,430		1,986,430	1,986,430
Bond Proceeds & Transfers	1,587,611		1,587,611	1,587,611
Total Revenues	3,574,041		3,574,041	3,574,041
Expenditures & Other Financing Uses:				
Salaries	36,092		36,092	36,092
Purchased Professional & Technical Services & Contingencies	859,589		859,589	890,187
Construction Services	2,623,147		2,623,147	2,627,622
Instructional Equipment	20,140		20,140	20,140
Total Expenditures	3,538,968		3,538,968	3,574,041
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$35,073		35,073	

ADDITIONAL PROJECT INFORMATION

Project Number	SP 5805-x01-03-1307
Grant Date	8/24/2004
Bond Authorization Date	8/1/1999
Bonds Authorized	\$1,587,611
Bonds Issued	\$1,587,611
Original Authorized Cost	\$3,574,041
Additional Authorized Cost	-
Revised Authorized Cost	\$3,574,041
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	99.02%
Original Target Completion Date	9/1/2006
Revised Target Completion Date	9/1/2007

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
OTHER CAPITAL PROJECTS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant				
Bond Proceeds & Transfers	\$52,646		52,646	52,646
Total Revenues	52,646		52,646	52,646
Expenditures & Other Financing Uses:				
Salaries				
Purchased Professional & Technical Services & Contingencies				
Instructional Equipment				
Miscellaneous Expenditures	23,341		23,341	52,646
Total Expenditures	23,341		23,341	52,646
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$29,305	-	29,305	-

ADDITIONAL PROJECT INFORMATION

Project Number	
Grant Date	8/24/2004
Bond Authorization Date	8/1/1999
Bonds Authorized	\$52,646
Bonds Issued	\$52,646
Original Authorized Cost	\$52,646
Additional Authorized Cost	-
Revised Authorized Cost	\$52,646
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	44.34%
Original Target Completion Date	9/1/2006
Revised Target Completion Date	9/1/2007

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO LEVITT MIDDLE SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$4,815,977		4,815,977	4,815,977
Bond Proceeds & Transfers	4,390,984		4,390,984	4,390,984
Total Revenues	9,206,961	-	9,206,961	9,206,961
Expenditures & Other Financing Uses:				
Salaries				
Purchased Professional & Technical Services & Contingencies	807,422	348,196	1,155,618	1,777,638
Construction Services	2,267,032	5,780,669	8,047,701	7,429,323
Instructional Equipment				
Miscellaneous Expenditures				
Total Expenditures	3,074,454	6,128,865	9,203,319	9,206,961
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$6,132,507	(6,128,865)	3,642	-

ADDITIONAL PROJECT INFORMATION

Project Number	5805-040-09-1001
Grant Date	6/30/2010
Bond Authorization Date	10/21/2010
Bonds Authorized	\$4,390,984
Bonds Issued	\$4,390,984
Original Authorized Cost	\$8,080,182
Additional Authorized Cost	1,126,779
Revised Authorized Cost	\$9,206,961
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	99.96%
Original Target Completion Date	6/30/2013
Revised Target Completion Date	6/30/2017

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G. Proprietary Funds

Enterprise Funds

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF NET POSITION
AS OF JUNE 30, 2016**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Current Assets:			
Cash & Cash Equivalents	\$291,940	627,358	919,298
Interfund Receivable			-
Due from Other Governments	333,724		333,724
Other Accounts Receivable	93,328	31,681	125,009
Inventories	1,494		1,494
Total Current Assets	<u>720,486</u>	<u>659,039</u>	<u>1,379,525</u>
Noncurrent assets:			
Furniture, Machinery & Equipment	788,526	27,114	815,640
Less: Accumulated Depreciation	<u>680,123</u>	<u>27,114</u>	<u>707,237</u>
Total Noncurrent Assets	<u>108,403</u>		<u>108,403</u>
Total Assets	<u>828,889</u>	<u>659,039</u>	<u>1,487,928</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows		<u>41,751</u>	<u>41,751</u>
Total Deferred Outflows of Resources		<u>41,751</u>	<u>41,751</u>
LIABILITIES			
Accounts Payable	153,498	24,092	177,590
Interfund Payable	28,499	45,801	74,300
Pension Liability		212,903	212,903
Unearned Revenue		<u>24,949</u>	<u>24,949</u>
Total Liabilities	<u>181,997</u>	<u>307,745</u>	<u>489,742</u>
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows		<u>8,482</u>	<u>8,482</u>
Total Deferred Inflows of Resources		<u>8,482</u>	<u>8,482</u>
NET POSITION			
Investment in Capital Assets, Net of Related Debt	108,403		108,403
Unrestricted	<u>538,489</u>	<u>384,563</u>	<u>923,052</u>
Total Net Position	<u>\$646,892</u>	<u>384,563</u>	<u>1,031,455</u>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2016**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Operating Revenues:			
Charges for Services:			
School Lunch Program	\$488,411		488,411
Special Functions	25,729		25,729
Tuition & Fees		768,968	768,968
	<hr/>		
Total Operating Revenues	514,140	768,968	1,283,108
	<hr/>		
Operating Expenses:			
Cost of Sales	683,425		683,425
Salaries	748,965	445,763	1,194,728
Management Fee	37,263		37,263
Employee Benefits	94,230	83,516	177,746
Cleaning, Repair & Maintenance Services	9,826		9,826
Travel Services	7,763	17,179	24,942
Purchased Services	73,352	18,988	92,340
Insurance	30,145		30,145
Supplies and Materials	287,943	18,140	306,083
Miscellaneous	20,281		20,281
Rent	25,000	300,000	325,000
Depreciation	36,597		36,597
	<hr/>		
Total Operating Expenses	2,054,790	883,586	2,938,376
	<hr/>		
Operating Income/(Loss)	(1,540,650)	(114,618)	(1,655,268)
	<hr/>		
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	22,056		22,056
Federal Sources:			
National School Lunch Program	1,026,572		1,026,572
National After School Snack Program	47,899		47,899
National School Breakfast Program	307,817		307,817
Food Distribution Program	150,516		150,516
Interest & Investment Revenue			
	<hr/>		
Total Nonoperating Revenues/(Expenses)	1,554,860		1,554,860
	<hr/>		
Income/(Loss) Before Contributions & Transfers	14,210	(114,618)	(100,408)
Total Net Position - Beginning (As Restated)	632,682	499,181	1,131,863
	<hr/>		
Total Net Position - Ending	\$646,892	384,563	1,031,455
	<hr/>		

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2016**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTAL
	FOOD SERVICE	DAY CARE	
Cash Flows From Operating Activities:			
Receipts from Customers	\$646,383	794,580	1,440,963
Payments to Employees	(748,965)	(445,763)	(1,194,728)
Payments for Employee Benefits	(94,230)	(78,226)	(172,456)
Payments to Suppliers	(1,147,136)	(297,465)	(1,444,601)
Net Cash Provided/(Used) by Operating Activities	(1,343,948)	(26,874)	(1,370,822)
Cash Flows From Noncapital Financing Activities:			
State Sources	22,056		22,056
Federal Sources	1,382,288		1,382,288
Transfer from/(to) General Fund			
Net Cash Provided/(Used) by Noncapital Financing Activities	1,404,344		1,404,344
Cash Flows From Investing Activities:			
Interest & Dividends			
Net Cash Provided/(Used) by Investing Activities			
Net Increase/(Decrease) in Cash & Cash Equivalents			
Balances - Beginning of Year	60,396	(26,874)	33,522
Balances - End of Year	231,544	654,232	885,776
	\$291,940	627,358	919,298

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	(\$1,540,650)	(114,618)	(1,655,268)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	36,597	5,290	41,887
Commodities Received	150,516		150,516
Increase/(Decrease) in Unearned Revenue		20,579	20,579
(Increase)/Decrease in Accounts Receivable, Net	(46,772)	5,033	(41,739)
(Increase)/Decrease in Inventories	11,787		11,787
Increase/(Decrease) in Interfund Payable	28,499	44,872	73,371
Increase/(Decrease) in Accounts Payable	16,075	11,970	28,045
Total Adjustments	196,702	87,744	284,446
Net Cash Provided/(Used) by Operating Activities	(\$1,343,948)	(26,874)	(1,370,822)

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Internal Service Fund

Not Applicable

H. Fiduciary Fund

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2016**

ASSETS	PRIVATE PURPOSE			AGENCY		TOTAL
	SCHOLARSHIP FUND	UNEMPLOYMENT TRUST	WORKERS' COMPENSATION TRUST	STUDENT ACTIVITY	PAYROLL	
Cash & Cash Equivalents	\$40,685	630,766		127,436	455,024	1,253,911
Interfunds Receivable						
Total Assets	40,685	630,766		127,436	455,024	1,253,911
LIABILITIES						
Payroll Deductions & Withholdings					429,359	429,359
Interfunds Payable					25,665	25,665
Due to Student Groups				127,436		127,436
Total Liabilities				127,436	455,024	582,460
NET POSITION						
Unreserved	40,685	630,766				671,451
Reserved for Workers' Compensation						
Total Net Position	\$40,685	630,766		-	-	671,451

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEARS ENDED JUNE 30, 2016**

	PRIVATE PURPOSE			TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	WORKERS COMPENSATION TRUST	
Operating Revenues:				
Contributions	\$163,511			163,511
Interest on Investments	685	37	1,630	2,352
Total Operating Revenues	164,196	37	1,630	165,863
Operating Expenses:				
Scholarship Payments		1,297		1,297
Expenditures	203,473	151	1,630	205,254
Total Operating Expenses	203,473	1,448	1,630	206,551
Change in Net Position	(39,277)	(1,411)		(40,688)
Net Position Beginning of Year	670,043	42,096		712,139
Net Position End of Year	\$630,766	40,685		671,451

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

	BALANCE JULY 1, 2015	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2016
Memorial Middle School	\$9,956	39,902	37,376	12,482
Senior High School Account:				
Willingboro High School	42,349	196,846	195,481	43,714
General Organization Accounts:				
Gate Receipts	72,275	12,014	15,295	68,994
Twin Hills	2,550	2,526	2,830	2,246
Total	\$127,130	251,288	250,982	127,436

**PAYROLL FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

ASSETS	BALANCE JULY 1, 2015	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2016
Cash & Cash Equivalents	\$3,163	37,111,931	36,660,070	455,024
Interfunds Receivable	\$27,432		27,432	
Total Assets	\$30,595	37,111,931	36,687,502	455,024
LIABILITIES				
Payroll, Deductions & Withholdings	\$30,595	17,407,380	17,008,616	429,359
Net Pay		19,599,211	19,599,211	
Interfunds Payable		105,340	79,675	25,665
Total Liabilities	\$30,595	37,111,931	36,687,502	455,024

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I. Long Term Debt

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2016**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	BALANCE JUNE 30, 2015	RETIRED	AMOUNT
			DATE	AMOUNT				OUTSTANDING JUNE 30, 2016
School Renovations	10/21/10	\$27,210,000	3/1/17	950,000	3.500%	\$24,035,000	900,000	23,135,000
			3/1/18	975,000	3.500%			
			3/1/19	1,000,000	3.500%			
			3/1/20	1,025,000	3.500%			
			3/1/21	1,025,000	3.500%			
			3/1/22	1,050,000	3.500%			
			3/1/23	1,050,000	4.000%			
			3/1/24	1,050,000	4.000%			
			3/1/25	1,075,000	4.000%			
			3/1/26	1,085,000	4.000%			
			3/1/27	1,150,000	4.000%			
			3/1/28	1,175,000	4.000%			
			3/1/29	1,200,000	4.000%			
			3/1/30	1,200,000	4.000%			
			3/1/31	1,225,000	4.125%			
			3/1/32	1,250,000	4.125%			
			3/1/33	1,300,000	4.250%			
			3/1/34	1,400,000	4.250%			
			3/1/35	1,450,000	4.375%			
			3/1/36	1,500,000	4.375%			
Total						\$24,035,000	900,000	23,135,000

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2016**

PURPOSE	DATE OF LEASE	TERM OF LEASE	PRINCIPAL	INTEREST RATE	BALANCE		BALANCE
					JUNE 30, 2015	RETIRE	JUNE 30, 2016
Textbooks	08/28/12	5 Years	500,000	1.414%	215,000	105,000	110,000
Time Management System	5/18/13	5 Years	156,906	3.990%	92,735	31,540	61,195
			Total		<u>\$307,735</u>	<u>136,540</u>	<u>171,195</u>

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARATIVE SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES:					
Local Sources:					
Local Tax Levy	\$1,847,682		1,847,682	1,847,682	
Total Sources	1,847,682		1,847,682	1,847,682	
Total Revenues	1,847,682		1,847,682	1,847,682	
EXPENDITURES:					
Regular Debt Service:					
Interest	947,681		947,681	947,681	
Redemption of Principal	900,000		900,000	900,000	
Total Regular Debt Service	1,847,681		1,847,681	1,847,681	
Total Expenditures	1,847,681		1,847,681	1,847,681	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	1		1	1	
Other Financing Sources:					
Operating Transfers In:					
Interest Earned in Capital Projects Fund					
Excess/(Deficiency) of Revenues and Other Finance Sources Over/(Under) Expenditures	1		1	1	
Fund Balance, July 1	1		1	1	
Fund Balance, June 30	\$2	-	2	2	-

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J. STATISTICAL SECTION

(Unaudited)

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities:										
Invested in Capital Assets, Net of Related Debt	\$38,925,358	42,580,263	43,042,713	24,201,517	12,400,550	11,945,109	11,492,941	10,981,932	9,007,016	8,236,167
Restricted	4,521,274	2,183,129	8,843,115	31,045,537	44,872,535	42,502,220	1,580,009	851,191	4,388,516	2,233,626
Unrestricted	(22,831,262)	(23,434,144)	(3,176,483)	(3,287,552)	(2,698,210)	(2,728,235)	36,607,677	(3,910,226)	(8,464,081)	(8,804,347)
Total Governmental Activities Net Position	\$20,615,370	21,329,248	48,709,345	51,959,502	54,574,875	51,719,094	49,680,627	7,922,897	4,931,451	1,665,446
Business-Type Activities:										
Invested in Capital Assets, Net of Related Debt	\$108,403	145,000	194,797	199,304	197,109	137,171	127,214	111,897	90,711	52,378
Unrestricted	923,052	986,863	1,044,797	777,766	586,500	526,227	516,232	848,655	804,834	659,204
Total Business-Type Activities Net Position	\$1,031,455	1,131,863	1,239,594	977,070	783,609	663,398	643,446	960,552	895,545	711,582
District-Wide:										
Invested in Capital Assets, Net of Related Debt	\$39,033,761	42,725,263	43,237,510	24,400,821	12,597,659	12,082,280	11,620,155	11,093,829	9,097,727	8,288,545
Restricted	4,521,274	2,183,129	8,843,115	31,045,537	44,872,535	42,502,220	1,580,009	851,191	4,388,516	2,233,626
Unrestricted	(21,908,210)	(22,447,281)	(2,131,686)	(2,509,786)	(2,111,710)	(2,202,008)	37,123,909	(3,061,571)	(7,659,247)	(8,145,143)
Total District Net Position	\$21,646,825	22,461,111	49,948,939	52,936,572	55,358,484	52,382,492	50,324,073	8,883,449	5,826,996	2,377,028

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$18,327,823	19,912,898	19,232,099	20,698,772	20,095,654	20,998,139	22,158,920	22,309,269	22,849,175	22,146,577
Special Education	4,740,486	4,769,972	4,899,892	4,927,192	4,717,371	5,121,749	5,438,672	5,814,030	5,584,671	4,822,924
Other Special Instruction	120,667	185,893	185,793	183,048	177,808	486,587	1,201,065	198,982	207,377	217,736
Other Instruction	1,703,235	1,707,254	1,900,528	1,743,985	1,655,802	650,807	901,302	620,008	623,191	615,494
Support Services & Undistributed Costs:										
Tuition	8,822,569	8,533,377	8,976,905	7,750,923	8,470,655	7,618,065	7,565,689	7,722,993	7,227,119	6,974,902
Attendance & Social Work Services	283,368	306,498	257,992	195,888	284,406	187,375	274,889	203,540	252,154	145,610
Health Services	829,075	722,870	660,860	653,572	528,349	591,926	662,385	653,772	577,790	547,867
Student & Instruction Related Services	5,489,180	5,133,102	5,124,745	5,527,971	4,538,191	5,176,799	5,252,117	5,984,964	5,811,001	3,937,360
Educational Media Services/School										
Library	715,930	707,546	740,030	725,045	646,765	652,585	652,260	714,556	690,974	586,923
Instructional Staff Training	444,889	342,053	423,091	766,033	742,191	861,943	1,516,250	540,327	342,672	352,637
School Administrative Services	1,851,657	1,800,316	1,794,520	1,380,671	1,252,085	1,548,734	548,526	2,714,186	1,607,447	1,333,598
Other Administrative Services	2,584,173	2,651,799	2,723,802	2,795,710	2,736,892	2,667,609	2,786,740	2,575,002	2,339,796	2,450,233
Central Services	1,021,087	1,056,532	851,409	1,028,021	978,575	934,498	1,096,668	1,222,775	1,209,468	1,216,776
Plant Operations & Maintenance	7,071,093	6,680,487	6,914,269	6,603,228	6,505,589	6,573,041	7,516,162	7,506,237	7,178,648	5,857,838
Pupil Transportation	3,600,282	3,299,721	2,935,174	2,695,351	2,632,333	2,869,326	2,600,105	2,767,891	2,717,453	2,512,384
Business & Other Support Services										
Unallocated Benefits	17,016,392	15,883,337	15,342,429	16,201,730	14,915,430	13,418,936	15,561,788	13,698,278	17,346,016	18,469,327
Special Schools										
Transfer to Charter School	2,315,252	2,152,031	2,255,554	1,785,158	184,160	126,776	96,668	78,175	74,954	18,725
Scholarship Awarded	1,448	1,800	3,090	4,250	7,215	1,800	2,207	20,671	8,199	7,959
Nonbondable Capital Assets	106,609	85,291	25,569	6,961	42,581	48,873				
Cancellation of Grant Receivable		3,501,963								
Interest on Long-Term Debt	956,156	994,150	994,798	1,024,961	1,050,495	691,034	56,735	108,022	163,914	160,042
Increase in Pension Liability	519,646									
Increase in Other Liability	-	2,414,016								
Increase/(Reduction) of Compensated										
Absences Liability	236,477	587,311		259,402	(615,793)	256,659	(55,885)	(363,794)	557,911	(441,209)
Loss on Disposal of Fixed Assets						191,446			357,617	
Unallocated Depreciation	3,575,476	4,066,685	3,518,186	2,664,512	1,201,544	1,257,654	1,215,858	1,174,218	1,151,273	934,767
Total Governmental Activities Expenses	82,332,970	87,496,902	79,760,735	79,622,384	72,748,298	72,970,477	77,088,579	76,329,743	79,001,736	72,933,422

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Business-Type Activities:										
Food Service	2,054,790	1,872,408	1,852,816	1,889,154	1,948,729	1,851,311	1,856,766	1,752,535	1,678,631	1,697,747
Day Care	883,586	835,483	637,742	602,796	635,162	729,033	1,001,522	857,294	689,696	674,699
Total Business-Type Activities Expense	2,938,376	2,707,891	2,490,558	2,491,950	2,583,891	2,580,344	2,858,288	2,609,829	2,368,327	2,372,446
Total District Expenses	\$85,271,346	90,204,793	82,251,293	82,114,334	75,332,189	75,550,821	79,946,867	78,939,572	81,370,063	75,305,868
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	\$8,111,392	9,438,459	9,698,718	11,626,744	9,201,768	10,565,238	9,869,771	9,310,078	17,018,977	16,161,937
Total Governmental Activities Program Revenues	8,111,392	9,438,459	9,698,718	11,626,744	9,201,768	10,565,238	9,869,771	9,310,078	17,018,977	16,161,937
Business-Type Activities:										
Charges for Services:										
Food Service	514,140	486,827	488,056	504,137	523,662	604,756	627,010	738,210	728,169	800,112
Day Care	768,968	753,344	735,848	730,143	787,170	802,192	795,896	841,609	826,267	725,411
Operating Grants & Contributions	1,554,860	1,535,995	1,528,816	1,451,006	1,393,254	1,192,841	1,115,823	1,089,163	976,674	997,972
Total Business Type Activities Program Revenues	2,837,968	2,776,166	2,752,720	2,685,286	2,704,086	2,599,789	2,538,729	2,668,982	2,531,110	2,523,495
Total District Program Revenues	\$10,949,360	12,214,625	12,451,438	14,312,030	11,905,854	13,165,027	12,408,500	11,979,060	19,550,087	18,685,432
Net (Expense)/Revenue:										
Governmental Activities	(\$74,221,578)	(78,058,443)	(70,062,017)	(67,995,640)	(63,546,530)	(62,405,239)	(67,218,808)	(67,019,665)	(61,982,759)	(56,771,485)
Business-Type Activities	(100,408)	68,275	262,162	193,336	120,195	19,445	(319,559)	59,153	162,783	151,049
Total District-Wide Net Expense	(\$74,321,986)	(77,990,168)	(69,799,855)	(67,802,304)	(63,426,335)	(62,385,794)	(67,538,367)	(66,960,512)	(61,819,976)	(56,620,436)

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$28,168,680	26,297,476	25,290,271	24,794,383	24,794,383	26,257,482	26,217,183	27,735,237	27,870,712	28,203,052
Taxes Levied for Debt Service	1,847,682	1,818,652	1,805,432	1,807,556	2,135,271	705,385	590,084	564,415	604,345	559,815
Unrestricted Grants & Contributions	41,105,434	39,067,201	38,720,192	38,040,478	38,806,675	36,894,851	80,299,314	39,761,209	35,539,616	33,292,269
Tuition	567,078	168,510	286,014	221,579	255,484	259,103	650,655	929,453	431,570	333,934
Miscellaneous Income	855,465	752,008	625,141	516,271	410,498	326,885	1,219,302	1,020,796	802,520	973,649
Transfers	400,000	8,778								6,518
Decrease in Pension Liability		26,862								
Decrease in Other Liability	389,017									
Decrease in Compensated Absences Liability			84,810							
Unallocated Loss on Revaluation of Fixed Assets & Related Depreciation										(10,916,380)
Total Governmental Activities	73,333,356	68,139,487	66,811,860	65,380,267	66,402,311	64,443,706	108,976,538	70,011,110	65,248,763	52,452,857
Business-Type Activities:										
Investment Earnings		369	362	125	16	507	2,453	5,854	21,180	21,196
Transfers										(6,518)
Total Business-Type Activities		369	362	125	16	507	2,453	5,854	21,180	14,678
Total District-Wide	\$73,333,356	68,139,856	66,812,222	65,380,392	66,402,327	64,444,213	108,978,991	70,016,964	65,269,943	52,467,535
Change in Net Position:										
Governmental Activities	(\$888,222)	(9,918,956)	(3,250,157)	(2,615,373)	2,855,781	2,038,467	41,757,730	2,991,445	3,266,005	(4,318,628)
Business-Type Activities	(100,408)	68,644	262,524	193,461	120,211	19,952	(317,106)	65,007	183,963	165,727
Total District	(\$988,630)	(9,850,312)	(2,987,633)	(2,421,912)	2,975,992	2,058,419	41,440,624	3,056,452	3,449,968	(4,152,901)

-110-

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund:										
Reserved	\$4,412,567	3,104,351	3,695,320	4,848,410	5,651,387	3,321,588	1,837,465	3,552,792	5,489,347	3,053,536
Unreserved	(1,755,981)	(1,729,155)	(1,573,818)	(1,589,444)	(1,272,801)	(1,032,750)	(1,921,954)	(1,640,058)	(458,182)	(601,306)
Total General Fund	\$2,656,586	1,375,196	2,121,502	3,258,966	4,378,586	2,288,838	(84,489)	1,912,734	5,031,165	2,452,230
All Other Governmental Funds:										
Unreserved, Reported in:										
Special Revenue Fund					(139,778)			(105,016)	(210,871)	(204,170)
Capital Projects Fund	68,020	6,196,885	13,758,372	28,168,838	49,449,681	62,802,621	40,142,835	75,859	554,244	1,431,975
Debt Service Fund	2	1	2	2	2	2	2	2	1	
Permanent Fund	40,685	42,096	43,532	46,312	50,482	57,596	56,609	58,575	63,320	65,343
Total All Other Governmental Funds	\$108,707	6,238,982	13,801,906	28,215,152	49,360,387	62,860,219	40,199,446	29,420	406,694	1,293,148

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues:										
Tax Levy	\$30,016,362	28,116,128	27,095,703	26,601,939	26,929,654	26,962,867	26,807,267	28,299,652	28,475,057	28,762,867
Tuition Charges	567,078	168,510	286,014	221,579	255,484	259,103	650,655	929,453	431,570	333,934
Miscellaneous	873,356	755,381	633,813	539,231	415,900	341,603	487,309	1,024,535	804,149	975,621
State Sources	47,020,944	46,055,646	45,627,220	45,611,272	44,097,328	43,283,806	80,066,616	45,612,729	49,562,110	46,411,440
Federal Sources	2,177,991	2,446,641	2,783,018	4,053,882	3,905,713	4,161,565	10,094,364	3,454,819	2,994,854	3,040,793
Total Revenue	80,655,731	77,542,306	76,425,768	77,027,903	75,604,079	75,008,944	118,106,211	79,321,188	82,267,740	79,524,655
Expenditures:										
Instruction	24,997,211	26,676,017	26,218,312	27,552,997	26,646,635	27,257,282	29,699,959	28,942,289	29,264,414	27,802,731
Undistributed Expenditures	49,761,235	47,147,945	46,774,348	46,324,143	44,231,461	43,539,391	48,983,595	50,956,707	48,194,744	47,453,157
Special Schools						38,116	39,458	65,641	122,915	64,951
Capital Outlay	6,981,789	4,553,127	14,919,742	22,318,654	13,809,421	4,801,533	887,483	2,225,216	2,043,907	312,740
Debt Service	1,847,681	1,827,431	1,805,432	1,807,556	2,135,271	1,228,500	1,182,438	1,131,000	1,211,013	1,122,714
Expendable Trusts	1,448	1,800	3,090	4,250	7,215	1,800	2,207	20,671	8,199	7,959
Total Expenditures	83,589,364	80,206,320	89,720,924	98,007,600	86,830,003	76,866,622	80,795,140	83,341,524	80,845,192	76,764,253
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(2,933,633)	(2,664,014)	(13,295,156)	(20,979,697)	(11,225,924)	(1,857,678)	37,311,071	(4,020,336)	1,422,548	2,760,402
Other Financing Sources/(Uses):										
Cancellation of Prior Year Accounts Receivable		(3,501,963)				(191,446)				
Proceeds from Capital Leases							218,302	602,806	344,887	
Bond Proceeds				500,000		27,210,000				
Transfers in	400,000	8778					740,098			6,518
Transfers Out	(2,315,252)	(2,152,031)	(2,255,554)	(1,785,158)	(184,160)	(126,776)	(96,668)	(78,175)	(74,954)	(18,725)
Total Other Financing Sources/(Uses)	(1,915,252)	(5,645,216)	(2,255,554)	(1,285,158)	(184,160)	26,891,778	861,732	524,631	269,933	(12,207)
Net Change in Fund Balances	(\$4,848,885)	(8,309,230)	(15,550,710)	(22,264,855)	(11,410,084)	25,034,100	38,172,803	(3,495,705)	1,692,481	2,748,195
Debt Service as a Percentage of Noncapital Expenditures	2.5%	2.5%	2.5%	2.4%	3.0%	1.7%	1.5%	1.4%	1.6%	1.5%

Source: District records

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDED JUNE 30,	TUITION	INTEREST ON INVESTMENTS	MISCELLANEOUS	TOTAL
2016	\$567,078	13,585	841,843	1,422,506
2015	168,510	1,099	750,545	920,154
2014	286,014	448	624,383	910,845
2013	221,579	7,657	529,426	758,662
2012	255,484	21,037	389,360	665,881
2011	259,103	38,303	285,795	583,201
2010	650,655	17,853	460,918	1,129,426
2009	929,453	88,420	914,985	1,932,858
2008	431,570	358,938	434,026	1,224,534
2007	333,934	475,843	480,248	1,290,025

Source: District records

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
 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	APARTMENTS	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2016	\$13,364,000	1,702,680,000	393,400	6,000	124,683,600	9,583,400	19,766,000	1,870,476,400	100	1,870,476,500	1.697	1,752,859,626
2015	13,330,300	1,705,521,000	393,400	6,000	132,203,100	10,763,000	15,253,000	1,877,469,800	100	1,877,469,900	1.599	1,877,469,900
2014	14,347,100	1,709,403,800	303,400	1,600	124,962,100	10,763,000	15,253,000	1,875,034,000	2,704,674	1,877,738,674	1.435	1,794,270,588
2013	14,520,400	1,714,630,100	303,400	7,700	130,035,040	10,763,000	15,253,000	1,885,512,640	2,404,764	1,887,917,404	1.435	1,856,932,301
2012	14,856,300	1,721,819,400	303,400	7,700	133,318,440	10,763,000	13,897,900	1,894,966,140	4,811,566	1,899,777,706	1.408	1,946,351,716
2011	15,190,100	1,730,962,800	422,400	7,700	136,527,240	11,830,900	13,043,900	1,907,985,040	4,798,164	1,912,783,204	2.528	2,155,725,577
2010	16,578,700	1,738,859,600	428,100	2,000	149,685,420	11,901,600	13,929,000	1,931,384,420	5,657,093	1,937,041,513	2.559	1,988,829,412
2009	6,390,400	1,041,906,650	146,000	2,000	61,605,620	6,521,000	2,894,300	1,116,571,670	2,879,143	1,119,450,813	2.690	1,770,640,583
2008	6,304,800	1,040,595,950	146,000	2,000	61,427,800	6,759,000	1,752,400	1,116,987,950	2,628,588	1,119,616,538	2.528	2,155,725,577
2007	6,161,700	1,034,649,200	146,000	3,300	60,626,100	6,759,000	1,767,300	1,110,112,600	3,001,723	1,113,114,323	2.559	1,988,829,412

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

a. Tax rates are per \$100

* Revaluation

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF WILLINGBORO	BURLINGTON COUNTY	
2016	1.697	1.697	1.674	0.376	3.747
2015	1.599	1.599	1.634	0.323	3.556
2014	1.498	1.498	1.587	0.319	3.404
2013	1.435	1.435	1.528	0.328	3.291
2012	1.400	1.400	1.463	0.313	3.176
2011	1.408	1.408	1.511	0.325	3.244
*2010	1.392	1.392	1.416	0.393	3.201
2009	2.388	2.388	2.198	0.678	5.264
2008	2.528	2.528	2.058	0.691	5.277
2007	2.559	2.559	1.925	0.696	5.180

Source: Municipal Tax Collector

* Revaluation 2010

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND TEN YEARS AGO**

TAXPAYER	2016		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Willingboro Square, LLC	\$15,253,000	1	0.80%
RFB Properties, NJ 2	10,943,200	2	0.58%
American Stores Co., LLC	7,800,000	3	0.41%
Willingboro Equities	5,750,000	4	0.30%
Ray-Lor LLC & Giacovbbe	4,000,000	5	0.21%
National Golf Partners	3,898,100	6	0.21%
MH Ltach NJ LTD	3,800,000	7	0.20%
Willingboro Associates, Inc.	4,075,000	8	0.21%
ARHC Capital Healthcare c/o Altus Grp.	2,763,100	9	0.15%
49 Ironside Court, LLC.	2,300,000	10	0.12%
Total	<u>\$60,582,400</u>		<u>3.19%</u>

TAXPAYER	2007		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Rancocas Hospital	\$11,693,800	1	1.06%
American Stores Realty Co.	4,072,200	2	0.37%
Willingboro Village Mall, Limited	3,300,000	3	0.30%
National Golf Partners	2,392,000	4	0.22%
Rancocas Valley Professional Arts Building	1,860,000	5	0.17%
Grant Willingboro LLC	1,838,600	6	0.17%
Levittown Times Corporation	1,392,000	7	0.13%
Denmar LLC	1,277,900	8	0.12%
Golden Arch Realty Co.	1,275,000	9	0.12%
Rancocas Medical Partnership	1,229,400	10	0.11%
Total	<u>\$30,330,900</u>		<u>2.77%</u>

Source: Municipal Tax Assessor

EXHIBIT J-9

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2016	\$28,168,680	28,168,680	100.00%
2015	26,297,476	26,297,476	100.00%
2014	25,290,271	25,290,271	100.00%
2013	24,794,383	24,794,383	100.00%
2012	24,794,383	24,794,383	100.00%
2011	26,962,867	26,962,867	100.00%
2010	26,807,267	26,807,267	100.00%
2009	28,299,652	28,299,652	100.00%
2008	28,475,057	28,475,057	100.00%
2007	28,203,052	28,203,052	100.00%

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

EXHIBIT J-10

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	<u>GOVERNMENTAL ACTIVITIES</u>			TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2016	\$23,135,000	171,195		23,306,195	N/A
2015	24,035,000	307,735		24,342,735	N/A
2014	24,885,000	438,042		25,323,042	N/A
2013	25,685,000	500,000		26,185,000	505.65
2012	26,460,000	234,000		26,694,000	519.44
2011	27,210,000	376,000		27,586,000	552.22
2010	1,200,000	511,000		1,711,000	35.61
2009	2,300,000	791,911		3,091,911	64.89
2008	3,300,000	729,743		4,029,743	84.28
2007	4,333,000	663,421		4,996,421	108.18

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	<u>GENERAL BONDED DEBT OUTSTANDING</u>		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2016	\$23,135,000	23,135,000	1.24%	N/A
2015	24,035,000	24,035,000	1.28%	N/A
2014	24,885,000	24,885,000	1.33%	463.00
2013	25,685,000	25,685,000	1.36%	495.99
2012	26,460,000	26,460,000	1.39%	514.89
2011	27,210,000	27,210,000	1.42%	544.69
2010	1,200,000	1,200,000	0.06%	24.98
2009	2,300,000	2,300,000	0.21%	48.27
2008	3,300,000	3,300,000	0.29%	69.01
2007	4,333,000	4,333,000	0.39%	93.81

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2016**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Willingboro	\$51,393,396	100.000%	\$51,393,396
Burlington County	734,906,226	3.943%	<u>28,977,352</u>
Subtotal, Overlapping Debt			80,370,748
Willingboro Township Board of Education			<u>23,135,000</u>
Total Direct & Overlapping Debt			<u><u>\$103,505,748</u></u>

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (Dollars in Thousands)**

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$70,885,431	72,266,310	74,854,360	81,639,549	86,543,093	86,195,938	83,322,599	77,789,102	77,789,102	60,973,478
Total Net Debt Applicable to Limit	23,135,000	24,035,000	24,885,000	25,685,000	27,210,000	1,200,000	2,300,000	3,300,000	4,333,000	5,233,000
Legal Debt Margin	\$47,750,431	48,231,310	49,969,360	55,954,549	59,333,093	84,995,938	81,022,599	74,489,102	73,456,102	55,740,478
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	32.64%	33.26%	33.24%	31.46%	31.44%	1.39%	2.76%	4.24%	5.57%	8.58%

-119-

Legal Debt Margin Calculation for Fiscal Year 2015

Equalized Valuation Basis	
2015	\$1,753,333,769
2014	1,769,567,761
2013	1,793,505,793
	<u>\$5,316,407,323</u>
Average Equalized Valuation of Taxable Property	<u>\$1,772,135,774</u>
Debt Limit (4 % of Average Equalization Value)	\$70,885,431
Net Bonded School Debt	<u>23,135,000</u>
Legal Debt Margin	<u>\$47,750,431</u>

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	BURLINGTON	UNEMPLOYMENT
		COUNTY	
		PER CAPITA	RATE
		INCOME	
2015	31,270	N/A	7.40%
2014	31,400	53,747	9.00%
2013	31,451	51,785	11.20%
2012	31,613	51,390	12.30%
2011	31,623	49,955	9.10%
2010	31,647	48,047	10.90%
2009	36,284	47,649	10.50%
2008	36,415	47,816	7.40%
2007	36,691	46,188	5.70%
2006	32,782	44,582	5.90%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

EXHIBIT J-15 NOT AVAILABLE

EXHIBIT J-16 NOT AVAILABLE

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2016	3,196	\$74,758,446	23,391	40.30%	319	10/1	3,664	3,429	-6.10%	-4.88%
2015	4,428	73,823,962	16,672	-12.91%	358	12/1	3,739	3,470	-11.98%	-16.65%
2014	3,813	72,992,660	19,143	12.33%	308	12.4/1	3,902	3,605	-8.15%	-13.40%
2013	4,335	73,877,140	17,042	-1.32%	391	9.4/1	4,248	4,163	8.45%	8.44%
2012	4,104	70,878,096	17,270	8.20%	420	9.5/1	3,917	3,839	-9.93%	-9.92%
2011	4,438	70,834,789	15,961	-7.18%	408	10.8/1	4,349	4,262	-3.05%	-3.07%
2010	4,578	78,723,012	17,196	0.66%	466	9.8/1	4,486	4,397	-2.20%	-2.20%
2009	4,681	79,964,637	17,083	26.70%	428	10.9/1	4,587	4,496	-1.55%	-1.53%
2008	5,754	77,582,073	13,483	-7.85%	452	10.5/1	4,659	4,566	-7.65%	-7.65%
2007	5,148	75,320,840	14,631	4.56%	431	11.9/1	5,045	4,944	-2.58%	-2.58%

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).

EXHIBIT J-18 NOT AVAILABLE

EXHIBIT J-19

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

SCHOOL FACILITIES	PROJECT #	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Willingboro High School	N/A	\$217,248	220,404	226,216	217,404	\$258,094	215,492	317,431	308,353	269,757	194,029
Memorial Junior High School	N/A	151,752	153,958	158,017	151,862	180,284	150,526	221,733	215,392	188,432	135,534
Sydney W. Bookbinder Elementary School	N/A	56,067									
Garfield Park East Elementary School	N/A	49,146	48,988	50,279	48,321	58,386	47,896	70,553	68,535	59,957	43,125
Hawthorne Park Elementary School	N/A	56,067	42,756	43,883	42,174	66,609	41,803	61,578	59,817	52,330	37,639
Martin Luther King Jr. Elementary School	N/A										
WR James Elementary School	N/A	56,067	57,720	59,241	56,934	66,609	56,433	83,129	80,752	70,644	50,812
Joseph A. McGinley Elementary School	N/A	56,067									
Twin Hills Elementary School	N/A	48,966	55,192	56,647	54,441	58,173	53,962	79,489	77,216	67,551	48,588
Country Club Administrative Building	N/A	36,826	35,648	36,588	35,163	43,750	34,854	51,342	49,873	43,631	31,383
District Warehouse & Garage	N/A	17,180	48,414	49,691	47,755	20,410	47,335	69,727	67,733	59,255	42,621
J. Cressewell Stuart Elementary	N/A	58,658	58,421	59,961	57,625	69,686	57,119	84,139	81,732	71,502	51,430
Levitt Middle School	N/A		92,139	94,568	90,885	107,895	90,086	132,700	128,906	112,771	81,113
Grand Total		\$804,044	813,640	835,091	802,564	929,896	795,506	1,171,821	1,138,309	995,830	716,274

Source: District records

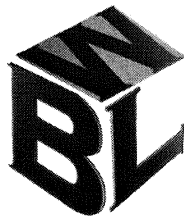
**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2016**

	COVERAGE	DEDUCTIBLE
Property: Real & Personal Property	\$250,000,000	2,500
Increased Cost of Construction	25,000,000	Included
Earthquake	25,000,000	Included
Flood	10,000,000	100,000
Extra Expense	50,000,000	Included
Valuable Papers	250,000,000	Included
Loss of Rents	500,000	N/A
Business Income/Tuition	N/A	
Electronic Data Processing	N/A	
 Arson Reward & Fire Department Surcharge	 10,000	 Included
 Boiler & Machinery: Equipment Breakdown	 100,000,000	 2,500
 Blanket Faithful Performance	 500,000	 1,000
Money & Securities	50,000	1,000
Depositors' Forgery	50,000	1,000
 Bonds:		
Board Secretary	400,000	
Treasurer	400,000	

Source: District records.

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SINGLE AUDIT SECTION



BRENT W. LEE & CO., LLC
Certified Public Accounting Firm

EXHIBIT K-1

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLAINTS AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable President and
Members of the Board of Education
Willingboro Township School District
County of Burlington
Willingboro, New Jersey 08046

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey, the financial statements of governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Willingboro Township School District, in the County of Burlington, 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 Willingboro Township School District's basic financial statements, and have issued my report thereon dated November 14, 2016.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Willingboro Township School District Board of Education'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Willingboro Township School District Board of Education's internal control. Accordingly, I do not express an opinion on the effectiveness of the Willingboro Township School District Board of Education'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant 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 preceding paragraph and was not designed to identify all deficiencies or material weaknesses and therefore, significant deficiencies or material weaknesses may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I considered to be material weaknesses. However, material

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weaknesses may exist that have not been identified. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2016-01 and 2016-02 that I consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Willingboro Township School District Board of Education'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Local Finance Board, Department of Community Affairs, State of New Jersey and which are described in the accompanying schedule of findings and questioned costs as items 2016-01 and 2016-02.

Willingboro Township School District Board of Education's Response to Finding

Willingboro Township School District Board of Education's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. Willingboro Township School District Board of Education'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

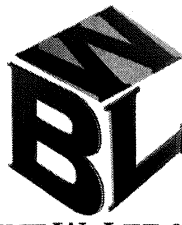
The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Brent W. Lee
Certified Public Accountant
Public School Accountant No. 700

Cinnaminson, New Jersey
November 14, 2016



BRENT W. LEE & CO., LLC
Certified Public Accounting Firm

EXHIBIT K-2

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

The Honorable President and
Members of the Board of Education
Willingboro Township School District
County of Burlington
Willingboro, New Jersey 08046

Report on Compliance for Each Major Federal and State Program

I have audited the Board of Education of the Willingboro Township School District, in the County of Burlington, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of Willingboro Township School District's major federal or state programs for the year ended June 30, 2016. Willingboro Township School District's major federal or 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, federal and state statutes, and the terms and conditions of its federal and financial assistance applicable to its federal and state programs.

Auditor's Responsibility

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

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

Basis for Qualified Opinion on Equalization Aid

As described in the accompanying schedule of findings and questioned costs, the Board of Education of the Willingboro Township School District, in the County of Burlington, State of New Jersey, did not comply with requirements regarding the Equalization Aid state program and associated finding numbers matched to the types of compliance requirements as described in finding numbers 2016-01 for Special Test and Provisions and 2016-02 for Eligibility. Compliance with such requirements is necessary, in my opinion, for the Board of Education of the Willingboro Township School District to comply with the requirements applicable to that program.

Qualified Opinion on Equalization Aid

In my opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Board of Education of the Willingboro Township School District, in the County of Burlington, 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 the Equalization Aid state program for the year ended June 30, 2016.

Unmodified Opinion on Each of the Other Major Federal and State Programs

In my opinion, the Willingboro Township School District, in the County of Burlington, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2016.

Other Matters

The results of my auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2016-01 and 2016-02. My opinion on each major federal and state program is not modified with respect to these matters.

The Willingboro Township School District's response to the noncompliance findings identified in my audit is described in the accompanying schedule of findings and questioned costs. The Willingboro Township School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, I express no opinion on the response.

Report on Internal Control over Compliance

Management of the Board of Education of the Willingboro Township 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 Willingboro Township School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purposes of expressing my opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey's OMB's Circular 5-08, 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 Willingboro Township School District's internal control over compliance.

My consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weakness or significant deficiencies and therefore, material weakness or significant deficiencies may exist that were not identified. However, as discussed below, I identified certain deficiencies in internal control over compliance that I consider to be material weakness and significant deficiencies.

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

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. I consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2016-01 and 2016-02 to be significant deficiencies.

The Willingboro Township School District's response to the internal control over compliance findings identified in my audit is described in the accompanying schedule of findings and questioned costs. The Willingboro Township School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, I express no opinion on the response.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

I have audited the financial statements of the Willingboro Township School District as of and for the year ended June 30, 2016, and have issued my report thereon dated November 14, 2016, which contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brent W. Lee". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Brent W. Lee
Certified Public Accountant
Public School Accountant No. 700
Brent W. Lee & Co., LLC

Cinnaminson, New Jersey
November 14, 2016

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
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	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2015	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2016	DEFERRED REVENUE AT JUNE 30, 2016	DUE TO GRANTOR JUNE 30, 2016
U.S. DEPARTMENT OF AGRICULTURE PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:														
Food Distribution Program	10.555	16161NJ304N1099	N/A	\$150,516	7/1/15-6/30/16			150,516	(150,516)					
After School Snack Program	10.555	16161NJ304N1099	N/A	61,517	7/1/14-6/30/15	(\$4,957)		4,957						
After School Snack Program	10.555	16161NJ304N1099	N/A	47,899	7/1/15-6/30/16			31,809	(47,899)			(16,090)		
School Breakfast Program	10.553	16161NJ304N1099	N/A	242,748	7/1/14-6/30/15	(19,826)		19,826						
School Breakfast Program	10.553	16161NJ304N1099	N/A	307,817	7/1/15-6/30/16			222,406	(307,817)			(85,411)		
National School Lunch HHFKA - PB Lunch Program	10.592	16161NJ304N1099	N/A	25,904	7/1/14-6/30/15	(2,003)		2,003						
National School Lunch HHFKA - PB Lunch Program	10.592	16161NJ304N1099	N/A	25,729	7/1/15-6/30/16			20,395	(25,729)			(5,334)		
National School Lunch Program	10.555	16161NJ304N1099	N/A	1,026,541	7/1/14-6/30/15	(80,988)		80,988						
National School Lunch Program	10.555	16161NJ304N1099	N/A	1,026,572	7/1/15-6/30/16			804,304	(1,026,572)			(222,268)		
Total U.S. Department of Agriculture						(107,774)		1,337,204	(1,558,533)			(329,103)		
U.S. DEPARTMENT OF EDUCATION PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:														
Special Revenue														
Title I - Part A	84.010	S010A150030	NCLB5805-15	671,837	7/1/14-6/30/15	(258,375)		293,232		(34,857)				
Title I - Part A	84.010	S010A150030	NCLB5805-16	752,005	7/1/15-6/30/16			344,191	(740,003)			(395,812)		
Title II - Part A	84.367A	S367A150029	NCLB5805-15	202,145	7/1/14-6/30/15	(35,015)		52,594		(17,579)				
Title II - Part A	84.367A	S367A150029	NCLB5805-16	196,720	7/1/15-6/30/16			126,312	(170,642)			(44,330)		
Title III	84.365A	S365A1350030	NCLB5805-15	12,539	7/1/14-6/30/15	(10,120)		10,112		8				
Title III	84.365A	S365A1350030	NCLB5805-16	23,100	7/1/15-6/30/16			4,428	(17,234)			(12,806)		
Title III Immigrant	84.365A	S365A1350030	NCLB5805-15	13,466	7/1/14-6/30/15	(811)		811						
Title III Immigrant	84.365A	S365A1350030	NCLB5805-16	21,463	7/1/15-6/30/16				(17,982)			(17,982)		
I.D.E.A. Preschool	84.173A	S173A150114	PS5805-15	33,787	7/1/14-7/30/15	(6,541)		6,541						
I.D.E.A. Preschool	84.173A	S173A150114	PS5805-16	34,514	7/1/15-7/30/16				(34,492)			(34,492)		
I.D.E.A. B - Basic	84.027	S027A150100	IDEA580514	1,217,391	9/1/13-8/31/14	(356,745)				356,745				
I.D.E.A. B - Basic	84.027	S027A150100	IDEA580515	1,249,634	7/1/14-6/30/15	(90,607)		266,060		(175,453)				
I.D.E.A. B - Basic	84.027	S027A150100	IDEA580516	1,250,096	7/1/15-6/30/16			921,455	(1,098,555)			(177,100)		

131

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 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	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2015	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2016	DEFERRED REVENUE AT JUNE 30, 2016	DUE TO GRANTOR JUNE 30, 2016
Special Revenue (continued):														
Carl D. Perkins Vocational	84.048A	S048A150030	PERK580515	12,343	7/1/14-6/30/15	(4,121)		1,152		2,969				
Carl D. Perkins Vocational	84.048A	S048A150030	PERK580516	9,760	7/1/15-6/30/16				(8,132)		(8,132)			
21st Century CLC	84.287C	S287C150030	10-EK05-H14	535,000	9/1/13-8/31/14	(6,398)					(6,398)			
ROTC	12.999	N/A	N/A	56,321	7/1/11-6/30/13	(4,147)					(4,147)			
Total U.S. Department of Education						(772,880)		2,026,888	(2,087,040)	131,833		(701,199)		
General Fund:														
Medical Assistance Program (SEMI)	93.778	1605NJ5MAP	N/A	90,951	7/1/15-6/30/16			63,750	(90,951)			(27,201)		
Total General Fund								63,750	(90,951)			(27,201)		
Total Federal Financial Assistance						(\$880,654)		3,427,842	(3,736,524)	131,833		(1,057,503)		

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

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2015	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	INTER- GOVERNMENTAL (ACCOUNTS RECEIVABLE) AT JUNE 30, 2016	DEFERRED REVENUE/ INTERFUND PAYABLE AT JUNE 30, 2016	DUE TO GRANTOR JUNE 30, 2016	MEMO		
													BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES	
State Department of Education:															
General Fund:															
Equalization Aid	16-495-034-5120-078	\$34,387,336	7/1/15-6/30/16			34,387,336	(34,387,336)							(3,226,241)	34,387,336
Transportation Aid	16-495-034-5120-014	470,570	7/1/15-6/30/16			470,570	(470,570)							(42,689)	470,570
Special Education Aid	16-495-034-5120-089	2,391,334	7/1/15-6/30/16			2,391,334	(2,391,334)							(216,935)	2,391,334
Security Aid	16-495-034-5120-084	1,086,670	7/1/15-6/30/16			1,086,670	(1,086,670)							(92,054)	1,086,670
Extraordinary Aid	16-495-034-5120-044	395,722	7/1/15-6/30/16				(395,722)			(395,722)					395,722
PARCC Readiness	16-495-034-5120-098	38,910	7/1/15-6/30/16			38,910	(38,910)							(3,530)	38,910
Per Pupil Growth Aid	16-495-034-5120-097	38,910	7/1/15-6/30/16			38,910	(38,910)							(3,530)	38,910
Nonpublic Transportation	15-100-034-5120-068	39,728	7/1/14-6/30/15	(39,728)		39,728									
Nonpublic Transportation	16-100-034-5120-068	46,569	7/1/15-6/30/16				(46,569)			(46,569)					
On-Behalf TPAF Pension															
Contributions (Nonbudgeted)	16-495-034-5094-002	2,085,661	7/1/15-6/30/16			2,085,661	(2,085,661)								2,085,661
On-Behalf TPAF Post-Retirement															
Medical (Nonbudgeted)	16-495-034-5094-001	2,483,447	7/1/15-6/30/16			2,483,447	(2,483,447)								
Reimbursed TPAF Social Security															
Contributions (Nonbudgeted)	15-495-034-5094-003	1,870,255	7/1/14-6/30/15	(92,529)		92,529									
Reimbursed TPAF Social Security															
Contributions (Nonbudgeted)	16-495-034-5094-003	2,148,023	7/1/15-6/30/16			2,059,739	(2,148,023)			(88,284)					2,148,023
Total General Funds				(132,257)		45,174,834	(45,573,152)			(530,575)				(3,584,979)	43,043,136
Special Revenue Fund:															
Preschool Education	15-495-034-5120-086	1,419,552	7/1/14-6/30/15	128,577	(128,577)										
Preschool Education	16-495-034-5120-086	1,176,388	7/1/15-6/30/16		128,577	1,176,388	(1,611,198)	375,000			68,767				1,611,198
Green Technology	15-AG85-G06	6,000	2/1/14-1/31/15	1,562									1,562		
NJ Nonpublic Aid:															
Security	16-100-034-5120-509	4,125	7/1/15-6/30/16			4,125	(3,750)						375		3,750
Speech	15-100-034-5120-068	20,321	7/1/14-6/30/15	2,209					(2,209)						
Speech	16-100-034-5120-068	21,738	7/1/15-6/30/16			21,738	(17,976)						3,762		17,976
Examination & Classification	15-100-034-5120-068	25,573	7/1/14-6/30/15	11,700					(11,700)						
Examination & Classification	16-100-034-5120-068	18,070	7/1/15-6/30/16			18,070	(16,022)						2,048		16,022
Compensatory Education	15-100-034-5120-067	70,768	7/1/14-6/30/15	15,855					(15,855)						
Compensatory Education	16-100-034-5120-067	63,452	7/1/15-6/30/16			63,452	(63,196)						256		63,196
Textbook Aid	15-100-034-5120-064	10,009	7/1/14-6/30/15	1,252					(1,252)						
Textbook Aid	16-100-034-5120-064	9,422	7/1/15-6/30/16			9,422	(8,406)						1,016		8,406
Nursing Aid	16-100-034-5120-070	14,850	7/1/15-6/30/16			14,850	(14,040)						810		14,040
Technology Initiative	15-100-034-5120-068	5,376	7/1/14-6/30/15	730					(730)						
Technology Initiative	16-100-034-5120-068	4,290	7/1/15-6/30/16			4,290	(3,619)						671		3,619
ESL	15-100-034-5120-067	4,750	7/1/14-6/30/15	274					(274)						
ESL	16-100-034-5120-067	4,141	7/1/15-6/30/16			4,141	(4,055)						86		4,055
Supplementary Instruction	16-100-034-5120-068	14,851	7/1/15-6/30/16			14,851	(12,624)						2,227		12,624
Total Special Revenue Funds				162,159		1,331,327	(1,754,886)	375,000	(32,020)		68,767	12,813			1,754,886

WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE JUNE 30, 2016

Note 1. General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Willingboro Township 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 is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on 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 basis of accounting are described in Note 1 to the Board'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 (Uniform Guidance)*, and *Audits of States, Local Governments, and Non-profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3. Relationship to Basic Financial Statements

The basic financial statements present the general fund 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 expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A.18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the 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 \$67,906 for the general fund and \$-0- for the special revenue fund. See Note 1 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 presented on the following page:

**WILLINGBORO TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2016**

	Federal	State	Total
General Fund	\$ 90,951	\$45,641,058	\$45,732,009
Special Revenue Fund	2,087,040	1,379,886	3,466,926
Food Service Fund	1,532,804	22,056	1,554,860
	<hr/>		
Total Financial Assistance	\$3,710,795	\$47,043,000	\$50,537,795

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. 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 and Post-Retirement Medical 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.

Note 6. Federal and State Loans Outstanding

The Willingboro Township Board of Education had no loan balances outstanding at June 30, 2016.

Note 7. Major Programs

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

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Section 1— Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Noncompliance material to basic financial Statements noted?	No

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of?	Yes

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.555, 553, 592 84.027	Child Nutrition Cluster IDEA - B

Dollar threshold used to distinguish between Type A Programs:	\$750,000
Auditee qualified as low-risk auditee?	No

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016**

Section — Summary of Auditor's Results (continued):

State Awards

Dollar threshold used to distinguish between type A Type Programs:	\$1,427,909
Auditee qualified as low-risk auditee?	No
Type of auditor's report issued on compliance for major programs:	<u>Modified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08 as applicable?	Yes

Identification of major programs:

GMIS Number(s)	Name of State Program
15-495-034-5120-078	Equalization Aid
15-495-034-5120-089	Special Education Aid

Section II — 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 Uniform Guidance audit.

Finding 2016-01:

Criteria:

The district should only pay premiums for health benefits of existing and active employees.

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016**

Section II — Financial Statement Findings (continued):

Condition:

The following issues were noted during the testing of the district's health benefit coverage:

- It was noted while testing the district's medical prescription coverage that the district paid premiums for thirty-five (35) individuals that are not employees of the district.
- While testing the district's dental coverage that the district paid premiums for forty-seven (47) individuals that are not employees of the district.
- While testing the district's State medical health coverage that the district paid premiums for one (1) individual that is not an employee of the district.

Effect:

There is an estimated overpayment amount of \$162,072 for health benefit premiums paid by the district for the 2016 fiscal year.

Cause:

Oversight of district personnel

Recommendation:

The district must implement procedures to ensure that correct amounts are paid for health benefit premiums.

Views of responsible officials and planned corrective action:

Management concurs with the finding and is actively pursuing reimbursement from vendors.

Finding 2016-02:

Criteria:

Student enrollment on the ASSA report should be in agreement with the District's student enrollment workpapers.

Condition:

The following issues were noted during the testing of the district's ASSA report.

- It was noted during the sample test of on-roll eligible regular students that one pupil was not reported on the ASSA report but was listed on the District's school register.

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016**

Section II — Financial Statement Findings (continued):

- It was noted during the test of on-roll eligible LEP students that test scores of seven (7) LEP students, one (1) low income and six (6) not low income, were unavailable for audit review in order to verify the student's eligibility to be enrolled on the ASSA report.

Effect:

The difference in reporting may have a negative effect on government funding.

Cause:

Unknown

Recommendation:

The District must implement procedures to ensure that correct enrollment counts are submitted on the ASSA report.

Views of responsible officials and planned corrective action:

Management concurs with the finding.

Section III — Federal Awards & State Financial Assistance Finding & 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 New Jersey OMB's Circular Letter 15-08, as applicable.

Federal Awards

None

State Awards

Findings 2016-01 and 2016-02 are part of this section. Please refer to Section II for details.

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2016**

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, U.S. OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. (.511(a)(b)) and New Jersey OMB's Circular 04-04 and/or 15-08, as applicable.

Status of Prior Year Findings:

Finding 2013-04:

Condition:

Unexpended Title I, Part A FY 2009-2010 funds of \$132,304 were improperly carried over to the 2011-2012 project period.

Current Status:

This condition has been corrected.

Finding 2015-01:

Condition:

The budgetary line account Regular Debt Service – Interest Expense was over-expended by \$8,778.

Current Status:

This condition has been corrected.

Finding 2015-02:

Condition:

It was noted during the sample test of on roll eligible regular students for the DRTRS Report that there was six pupils that could not be verified due to the pupils not being on the District's school registers.

Current Status:

This condition has been corrected.

**WILLINGBORO TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2016**

Status of Prior Year Findings (continued):

Finding 2015-03:

Condition:

The following issues were noted during the testing of the district's ASSA report.

- The Office of Fiscal Accountability and Compliance (OFAC) of the State of New Jersey reviewed the district's Application for State School Aid (ASSA) and District Report of Transported Resident Students (DRTRS) as of October 15, 2012. Per OFAC Case #SAAU-5-15 differences existed in On Roll, Sent to Private Schools for students with disabilities, Low Income Resident enrollment, LEP Low Income and Not Low Income and Transported Students that resulted in an overpayment of state aid by \$28,321.
- Private school student enrollment on the ASSA Report was not in agreement with the District's private school student enrollment workpapers.

Current Status:

This condition has not been corrected. Refer to Finding 2016-02,