

**SCHOOL DISTRICT  
OF**

# **COLLINGSWOOD**

**Collingswood Board of Education  
Collingswood, New Jersey**

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2018**

**Comprehensive Annual  
Financial Report**

**of the**

**Collingswood Board of Education**

**Collingswood, New Jersey**

**For the Fiscal Year Ended June 30, 2018**

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

# Collingswood School District

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## **Introductory Section**



# Collingswood Public School



*It's Where You Want to Learn*

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

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

BETH ANN COLEMAN  
Business Administrator/Board Secretary

January 31, 2019

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

Dear Board Members:

The comprehensive annual financial report of the Collingswood School District (District) for the fiscal year ended June 30, 2018, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a roster of officials and consultants. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as amended in 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the State Treasury Circular Letter 98-07, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments".

Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, are included in the single audit section of this report.

## **1. REPORTING ENTITY AND ITS SERVICES**

Collingswood School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Collingswood Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels PreK through 12. These include regular, vocational, and English as a Second Language for limited English speakers and special education for disabled youngsters. The District completed the 2017-2018 fiscal year with an enrollment of 1,993 students, which is 38 students more than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal Year</u>	<u>Average Daily Enrollment Student Enrollment</u>	<u>Percent Change</u>
2013-2014	1,885	1.7%
2014-2015	1,864	-1.1%
2015-2016	1,942	4%
2016-2017	1,955	.6%
2017-2018	1,993	2%

**2. ECONOMIC CONDITION AND OUTLOOK**

The Borough of Collingswood continues to remain focused on its goal of maintaining existing ratables while examining ways to attract new ventures. Neighborhood redevelopment efforts continue to provide resources for community members to maintain their properties. The Borough uses the business improvement districts to provide funding for professional services to make the business districts a competitive environment. The program to convert multi-family dwellings back to sing-family homes continues to promote long-term family community commitment. The Haddon Avenue merchant area is thriving and includes a variety of dining and shopping opportunities. This area has become know throughout south Jersey and attracts nonresidents as well as residents to experience the restaurants and shopping opportunities. The continued efforts of the Borough suggest preservation of a standard of living the community has come to expect.

**3. MAJOR INITIATIVES**

The Collingswood Public School District will pursue the following initiatives during the 2018-2019 school year:

**District:**

- The board of education will continue to review cost saving measures and potential for shared services. The Collingswood Public Schools provide:
  - Custodial and Maintenance services to Oaklyn
  - Child Study Team services to Oaklyn
  - Technology services to Oaklyn
  - Administrative services to Oaklyn
  - Business office services to Oaklyn
  - Curriculum and Professional Development services to Oaklyn
  - As needed Maintenance services to the following school districts:
    - Bellmawr
    - Clementon
    - Haddon Township
    - Mount Ephraim

Collingswood continues to explore areas for sharing services in the area in order to limit our tax impact on the citizens while continuing to provide services and programming for our pupils.

We will continue to optimize our resources to encourage the effective use of technology and energy-efficient/sustainable practices.

- Continue to offer STEM- centered, problem solving courses.
- Continue to maintain our facilities.



## **District Goals and Reflections from Fiscal Year 2017-2018:**

1. The district will continue to upgrade technology infrastructure and hardware necessary for successful implementation of district initiatives.
2. The Business Administrator actively “marketed” as-needed skilled trade shared services opportunities to neighboring Camden County Districts. As many districts cut back on in-house custodial and maintenance services, we can benefit from what our highly skilled staff can provide to neighboring districts. This continues to be an area of additional income for the Collingswood Public Schools and is wildly successful within Camden County.
3. Design and installation of new signage inside and outside the secondary complex has been completed.
4. LED lighting project will continue.

### **4. INTERNAL ACCOUNTING CONTROLS**

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

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

As part of the District’s single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

### **5. BUDGETARY CONTROLS**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the Borough of Collingswood. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2018

**6. ACCOUNTING SYSTEM AND REPORTS**

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

**7. CASH MANAGEMENT**

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

**8. RISK MANAGEMENT**

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

**9. OTHER INFORMATION**

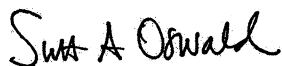
Independent Audit:

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso & Stewart, CPAs, was selected by the Board's finance committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as amended in 1996 and the related OMB Circular A-133, the State Treasury Circular Letter 98-07. The auditor's report on the general purpose financial statements and the combining and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

**10. ACKNOWLEDGEMENTS**

We would like to express our appreciation to everyone involved in the audit process. The audit was completed in a timely manner without inconveniences or interruptions to the regular operation of the business office. We value the efforts of our Finance Committee as they work with District administrators in the preparation of the budget and the hard work and dedication of the entire Board as they seek to provide fiscal accountability to the citizens and taxpayers of Collingswood.

Respectfully submitted,



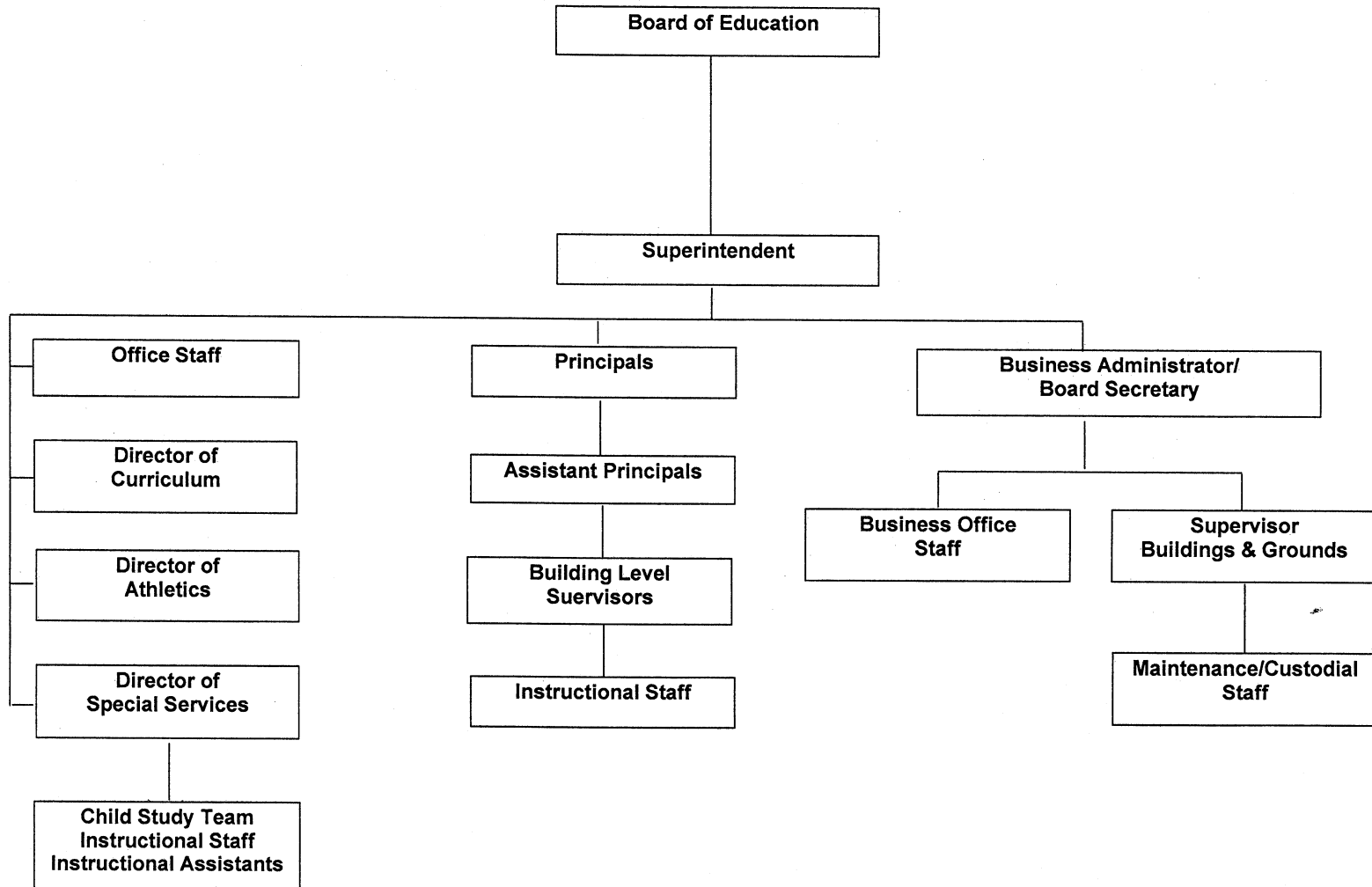
Scott A. Oswald  
Superintendent of Schools



Beth Ann Coleman  
Board Secretary/Business Administrator

# COLLINGSWOOD BOARD OF EDUCATION

## Organizational Chart



# COLLINGSWOOD SCHOOL DISTRICT

## Roster of Officials

June 30, 2018

### Members of the Board of Education:

### Term Expires

Fiona Henry, President	2020
Dr. Raymond Becker, Vice President	2019
Kimberly Brooks	2020
Clinton Conner	2019
James Hatzell	2018
Regan Kaiden	2018
Kathleen McCarthy	2018
Antonina Miller	2020
Jason Waugh	2019

### Members of the Board of Education - Sending Districts:

William Stauts, Oaklyn	2018
Carlos Poole, Woodlynne	2018

### Other Officials:

Scott A. Oswald, Superintendent  
Beth Ann Coleman, Business Administrator/Board Secretary  
Joseph Betley, Esq. Solicitor  
Inverso & Stewart LLC, Auditors  
Garrison Architects, Architects

**COLLINGSWOOD SCHOOL DISTRICT  
Consultants and Advisors**

**Audit Firm**

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

**Attorney**

Capehart & Scatchard, P.A.  
Joseph Betley, Esq.  
8000 Midlantic Drive  
Mount Laurel, NJ 08054

**Architect**

Garrison Architects  
713 Creek Road  
Bellmawr, NJ 08031

**Official Depository**

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

**Financial Section**

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

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

**INDEPENDENT AUDITOR'S REPORT**

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

***Report on the Financial Statements***

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Collingswood School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

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

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

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

### *Opinions*

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Collingswood School District, in the County of Camden, State of New Jersey, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, and schedule of the School District's contributions, schedule of the State's proportionate share of the net OPEB liability associated with the School District and changes in the total OPEB liability and related ratios as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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 me with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Collingswood School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, statistical section, and schedule of expenditures of federal awards are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedules of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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



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

In accordance with *Government Auditing Standards*, I have also issued my report dated January 31, 2019 on my consideration of the Collingswood School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Collingswood School District's internal control over financial reporting and compliance.

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



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
January 31, 2019

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

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

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

**INDEPENDENT AUDITOR'S REPORT**

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Collingswood School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued my report thereon dated January 31, 2019.

***Internal Control Over Financial Reporting***

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

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

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

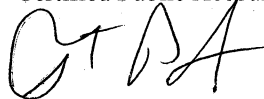
***Compliance and Other Matters***

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

***Purpose of this Report***

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

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



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
January 31, 2019

**Required Supplementary Information - Part I**

**Management's Discussion and Analysis**

**Collingswood School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2018**

As management of the Board of Education of the Borough of Collingswood, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets of the School District did not exceed its liabilities at the close of the most recent fiscal year by \$8,979,779 (*net position*) due to the adoption and presentation of GASB 68.
- Governmental activities have an unrestricted net position deficit of \$9,247,049. The accounting treatments in the governmental funds for compensated absences payable, and the last state aid payment, the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance and the adoption and presentation of GASB 68 are responsible for this deficit balance.
- The total net position of the School District increased by \$173,517 or 1.89% from the prior fiscal year-end balance. The majority of the increase is due the payment of long term debt obligations, revaluation of fixed assets and the change in net pension liability.
- Fund balance of the School District's governmental funds increased by \$26,125 resulting in an ending fund balance of \$5,172,000. This increase was primarily due to an increase in miscellaneous revenues and tuition revenues received.
- Business-type activities have unrestricted net position of \$168,854 which may be used to meet the School District's ongoing obligations of the food service operations.
- The School District's long-term obligations decreased by \$3,982,669 which is the net result of the required payment on long-term obligations, change in compensated absences and the change in net pension liability.

**Overview of the Basic Financial Statements**

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

**District-wide Financial Statements**

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

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

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

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

### Fund Financial Statements

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

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

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

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

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

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

The School District's enterprise funds (Food Service Fund, Summer Theater and Flip Tech) are listed individually and are considered to be major funds.

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

## Notes to the Basic Financial Statements

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

### Other Information

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

### District-wide Financial Analysis

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

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

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2018. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2018.

The assets of the primary government activities did not exceed liabilities by \$9,247,049 with an unrestricted deficit balance of \$11,271,495. As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, accrued interest payable, the last two state aid payments and the adoption of GASB 68. The net position of the primary government do not include internal balances.

A deficit net investment in land, improvements, buildings, equipment and vehicles of \$3,470,975 which provide the services to the School District's 1,993 public school students, represents 37.54% of the School District's deficit net position. Net position of \$5,495,421 have been restricted as follows:

Reserved for future budget appropriation	\$ 2,029,604
Reserved for encumbrances	\$ 57,784
Designated for subsequent budget	\$ 2,016,939
Capital reserve	\$ 1,141,094
Maintenance	\$ 250,000
Total	\$ 5,495,421

**Collingswood School District  
Comparative Summary of Net Assets  
As of June 30, 2018 and 2017**

	Governmental Activities		Business-Type Activities		District-Wide	
	2018	2017	2018	2017	2018	2017
<b>ASSETS</b>						
Current assets	\$ 5,616,312	\$ 5,595,065	\$ 183,764	\$ 156,895	\$ 5,800,076	\$ 5,751,960
Capital assets	8,824,025	9,045,392	98,416	115,864	8,922,441	9,161,256
<b>Total assets</b>	<b>14,440,337</b>	<b>14,640,457</b>	<b>282,180</b>	<b>272,759</b>	<b>14,722,517</b>	<b>14,913,216</b>
Deferred Outflows of Resources	3,435,603	4,750,778			3,435,603	4,750,778
<b>LIABILITIES</b>						
Current liabilities	1,789,990	1,748,502	14,910	13,279	1,804,900	1,761,781
Noncurrent liabilities	22,693,077	26,695,746			22,693,077	26,695,746
<b>Total Liabilities</b>	<b>24,483,067</b>	<b>28,444,248</b>	<b>14,910</b>	<b>13,279</b>	<b>24,497,977</b>	<b>28,457,527</b>
Deferred Inflows of Resources	2,639,922	359,763			2,639,922	359,763
<b>Net Position</b>	<b>\$ (9,247,049)</b>	<b>\$ (9,412,776)</b>	<b>\$ 267,270</b>	<b>\$ 259,480</b>	<b>\$ (8,979,779)</b>	<b>\$ (9,153,296)</b>
Net Position Consists of:						
Net investment in						
Capital Assets	(3,470,975)	(4,069,608)	98,416	115,864	(3,372,559)	(3,953,744)
Restricted Assets	5,495,421	5,482,702			5,495,421	5,482,702
Unrestricted Assets	(11,271,495)	(10,825,870)	168,854	143,616	(11,102,641)	(10,682,254)
<b>Net Position</b>	<b>\$ (9,247,049)</b>	<b>\$ (9,412,776)</b>	<b>\$ 267,270</b>	<b>\$ 259,480</b>	<b>\$ (8,979,779)</b>	<b>\$ (9,153,296)</b>

**Governmental Activities**

Governmental activities increased the net position of the School District by \$165,727 during the current fiscal year. The increase in net assets for governmental activities is due to the following:

- Results of operations in the General Fund of \$26,125.
- Repayment of Long Term Debt of \$820,000
- Increase in Compensated Absences of \$111,634
- Net Pension differences of \$336,721

**Business-type Activities**

Business-type activities increased the School District's net position by \$7,790. Key elements of the increase in net position for business-type activities are as follows:

- The Food Service had a net gain of \$7,160
- The Summer Theater had a net gain of \$630



**Collingswood School District**  
**Comparative Schedule of Changes in Net Assets**  
**As of and for the Fiscal Year Ended June 30, 2018 and 2017**

	Governmental Activities		Business-Type Activities		District-Wide	
	2018	2017	2018	2017	2018	2017
<b>Revenues:</b>						
Charges for services	\$ 5,031,214	\$ 4,695,280	\$ 238,902	\$ 237,700	\$ 5,270,116	\$ 4,932,980
Operating Grants and contributions	18,680,520	5,458,640	429,866	407,836	19,110,386	5,866,476
Property taxes	17,037,697	16,540,589			17,037,697	16,540,589
State aid - unrestricted	10,540,727	10,688,453			10,540,727	10,688,453
Other revenues	596,078	603,833	300	173	596,378	604,006
<b>Total Revenues</b>	<b>51,886,236</b>	<b>37,986,795</b>	<b>669,068</b>	<b>645,709</b>	<b>52,555,304</b>	<b>38,632,504</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
Instruction	16,356,656	15,788,808			16,356,656	15,788,808
Tuition	505,079	567,089			505,079	567,089
Related Services	3,994,223	3,815,419			3,994,223	3,815,419
Administrative Services	2,460,305	2,495,573			2,460,305	2,495,573
Operations and Maintenance	3,553,923	3,301,091			3,553,923	3,301,091
Transportation	580,995	500,288			580,995	500,288
Employee benefits	23,466,471	10,997,946			23,466,471	10,997,946
Special Schools	291,824	139,616			291,824	139,616
Interest on debt	471,713	495,075			471,713	495,075
Other	39,320	40,707			39,320	40,707
<b>Business-Type Activities:</b>						
Food Service			638,343	619,220	638,343	619,220
Summer Theater			17,494	29,498	17,494	29,498
Flip Tech			5,441		5,441	-
<b>Total Expenses</b>	<b>51,720,509</b>	<b>38,141,612</b>	<b>661,278</b>	<b>648,718</b>	<b>52,381,787</b>	<b>38,790,330</b>
Increase (Decrease) in Net Position before transfers	165,727	(154,817)	7,790	(3,009)	173,517	(157,826)
Transfers						
<b>Change in Net Position</b>	<b>165,727</b>	<b>(154,817)</b>	<b>7,790</b>	<b>(3,009)</b>	<b>173,517</b>	<b>(157,826)</b>
Net Position, July 1	(9,412,776)	(9,257,959)	259,480	262,489	(9,153,296)	(8,995,470)
<b>Net Position, June 30</b>	<b>\$ (9,247,049)</b>	<b>\$ (9,412,776)</b>	<b>\$ 267,270</b>	<b>\$ 259,480</b>	<b>\$ (8,979,779)</b>	<b>\$ (9,153,296)</b>

**Financial Analysis of the Governmental Funds**

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

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

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$5,172,000 an increase of \$26,125 in comparison with the prior year. The increase is due to increased miscellaneous income.

The unassigned fund balance for the School District at the end of the fiscal year includes a combination of an unassigned fund balance deficit for the General Fund of \$323,421. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed (1) as restricted cash reserved for future capital outlay expenditures \$1,141,094, (2) maintenance reserve \$250,000, (3) appropriated as a revenue source in the subsequent year's budget \$2,016,939, (4) reserved for encumbrances \$57,784 (5) reserved for future budget appropriation in accordance with state statute \$2,029,604.

The general fund is the chief operating fund of the School District. As discussed earlier, the deficit balance in the unreserved fund balance is due, primarily, to the accounting treatment of the last state aid payment as discussed in Note 19 of the notes to the basic financial statements, and state statutes that prohibit New Jersey school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

### General Fund Budgetary Highlights

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$656,976, while total fund balance (budgetary basis) was \$6,152,397. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$36,801,415. Unassigned fund balance (budgetary basis) represents 1.79% of expenditures while total fund balance (budgetary basis) represents 16.72% of that same amount.

### Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2018, totaled \$8,922,441 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, improvements, buildings, equipment and vehicles. There was a decrease in the District's investment in capital assets for the current fiscal year of \$238,815 or 2.61%. The decrease is due to an increase improvements net of accumulated depreciation.

### Collingswood School District Capital Asset (net of accumulated depreciation) June 30, 2018 and 2017

	Governmental Activities		Business-Type Activities		District-Wide	
	2018	2017	2018	2017	2018	2017
Land	\$ 390,040	\$ 390,040	\$ -	\$ -	\$ 390,040	\$ 390,040
Construction in Progress					-	-
Site Improvements	626,800	579,017			626,800	579,017
Building and Building Improvements	6,891,906	7,088,293			6,891,906	7,088,293
Equipment	826,063	880,995	98,416	115,864	924,479	996,859
Vehicles	89,216	107,047			89,216	107,047
Net Assets	<u>\$ 8,824,025</u>	<u>\$ 9,045,392</u>	<u>\$ 98,416</u>	<u>\$ 115,864</u>	<u>\$ 8,922,441</u>	<u>\$ 9,161,256</u>

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

*Long-term debt* – During the fiscal year ended June 30, 2018, the School District had \$12,295,000 in serial bonds payable, \$358,737 in compensated absences and \$10,879,340 in net pension liability.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$42,260,707 with a remaining borrowing capacity of \$29,965,707.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7, 9 and 14) of this report.

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

The following factors were considered and incorporated into the preparation of the School District's budget for the 2018-2019 fiscal year.

- In July, AFTER the 2018-2019 Budget was submitted and approved, we were informed that the State would be reducing Collingswood's State aid by \$4,186. The Board of Education met on July 16, 2018 to reduce its budget. The Board of Education considered this cut in State aid and possible future reductions in its 2018-2019 budget preparation. As of this writing, there are discussions in Trenton to reduce school aid once again.
- The Board of Education is determined to continue to offer a lean and efficient budget while meeting the needs of our community.
- The board of education continues to review cost saving measures and potential for shared services. The Collingswood Public Schools provide:
  - Custodial and Maintenance services to Oaklyn
  - Child Study Team services to Oaklyn
  - Technology services to Oaklyn
  - Administrative services to Oaklyn
  - Business office services to Oaklyn

In addition, The Collingswood Public Schools provide Maintenance services to our neighboring districts on a time and materials basis as requested. Those Districts include; Mount Ephraim, Clementon, Bellmawr, Stratford and Haddon Township.

### **Requests for Information**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Collingswood School District Business Administrator, 200 Lees Avenue, Collingswood, New Jersey, 08108, telephone number (856) 962-5720.

**Basic Financial Statements**

**District-Wide Financial Statements**

**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2018**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 3,387,993	\$ 137,868	\$ 3,525,861
Restricted cash and cash equivalents	1,141,094		1,141,094
Receivables, net	1,095,505	23,290	1,118,795
Internal balances	(8,280)	8,280	
Inventory		14,326	14,326
Capital assets, net (Note 5)	<u>8,824,025</u>	<u>98,416</u>	<u>8,922,441</u>
Total Assets	<u>14,440,337</u>	<u>282,180</u>	<u>14,722,517</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows of resources from pensions	3,277,485		3,277,485
Defeasance loss	<u>158,118</u>		<u>158,118</u>
Total deferred outflows of resources	<u>3,435,603</u>	<u>-</u>	<u>3,435,603</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>	<u>17,875,940</u>	<u>282,180</u>	<u>18,158,120</u>
<b>LIABILITIES:</b>			
Payable to state government	49,227		49,227
Unearned revenue	87,952	13,572	101,524
Accounts payable			
Related to pensions	468,248		468,248
Other	304,493	1,338	305,831
Deposits payable	2,540		2,540
Other liabilities	100		100
Accrued interest payable	37,430		37,430
Noncurrent liabilities:			
Due within one year	840,000		840,000
Due beyond one year	<u>22,693,077</u>		<u>22,693,077</u>
Total Liabilities	<u>24,483,067</u>	<u>14,910</u>	<u>24,497,977</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows of resources from pensions	<u>2,639,922</u>		<u>2,639,922</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>	<u>27,122,989</u>	<u>14,910</u>	<u>27,137,899</u>
<b>NET POSITION:</b>			
Net investment in capital assets	(3,470,975)	98,416	(3,372,559)
Restricted for:			
Debt service			
Capital projects	1,141,094		1,141,094
Other purposes	4,354,327		4,354,327
Unrestricted (Deficit)	<u>(11,271,495)</u>	<u>168,854</u>	<u>(11,102,641)</u>
Total Net Position	<u>\$ (9,247,049)</u>	<u>\$ 267,270</u>	<u>\$ (8,979,779)</u>

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

**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2018**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
Instruction:							
Regular	\$ 11,398,501	\$ 5,031,214	\$ 356,362	\$ -	\$ (6,010,925)	\$ -	\$ (6,010,925)
Special Education	3,163,977		438,102		(2,725,875)		(2,725,875)
Other instruction	1,794,178				(1,794,178)		(1,794,178)
Support Services:							
Tuition	505,079				(505,079)		(505,079)
Student & instruction related services	3,994,223		306,306		(3,687,917)		(3,687,917)
General administrative services	710,867				(710,867)		(710,867)
School administrative services	1,328,596				(1,328,596)		(1,328,596)
Central administrative services	420,842				(420,842)		(420,842)
Plant operations and maintenance	3,553,923				(3,553,923)		(3,553,923)
Pupil transportation	580,995				(580,995)		(580,995)
Unallocated employee benefits	23,466,471		17,579,750		(5,886,721)		(5,886,721)
Special schools	11,985				(11,985)		(11,985)
Transfer to charter schools	279,839				(279,839)		(279,839)
Interest on long-term debt	471,713				(471,713)		(471,713)
Unallocated	39,320				(39,320)		(39,320)
Total Governmental Activities	<u>51,720,509</u>	<u>5,031,214</u>	<u>18,680,520</u>	<u>-</u>	<u>(28,008,775)</u>	<u>-</u>	<u>(28,008,775)</u>
<b>Business-Type Activities:</b>							
Food Service	638,343	215,337	429,866			6,860	6,860
Summer Theater	17,494	18,124				630	630
Flip Tech	5,441	5,441				-	-
Total Business-Type Activities	<u>661,278</u>	<u>238,902</u>	<u>429,866</u>	<u>-</u>	<u>-</u>	<u>7,490</u>	<u>7,490</u>
<b>Total Primary Government</b>	<u>\$ 52,381,787</u>	<u>\$ 5,270,116</u>	<u>\$ 19,110,386</u>	<u>\$ -</u>	<u>(28,008,775)</u>	<u>7,490</u>	<u>(28,001,285)</u>
<b>General Revenues:</b>							
Taxes:							
Property taxes, levied for general purposes, net					15,743,934		15,743,934
Taxes levied for debt service					1,293,763		1,293,763
Federal and State aid not restricted					10,540,727		10,540,727
Investment Earnings					3,555	300	3,855
Miscellaneous Income					592,523		592,523
Contributing Capital							
Transfers							
Total general revenues, special items, extraordinary items and transfers					<u>28,174,502</u>	<u>300</u>	<u>28,174,802</u>
Change in Net Position					165,727	7,790	173,517
Net Position -- July 1, 2017					(9,412,776)	259,480	(9,153,296)
Net Position -- June 30, 2018					<u>\$ (9,247,049)</u>	<u>\$ 267,270</u>	<u>\$ (8,979,779)</u>

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

**Fund Financial Statements**



**COLLINGSWOOD SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2018**

<b>ASSETS</b>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Cash and cash equivalents	\$ 3,101,065	\$ -	\$ -	\$ -	\$ 3,101,065
Receivables, net:					
State aid	147,297				147,297
Federal		374,354			374,354
Other governmental units	550,122				550,122
Other accounts receivable	15,010				15,010
Interfund	486,893				486,893
Restricted assets:					
Cash and cash equivalents	1,141,094				1,141,094
<b>Total Assets</b>	<u>\$ 5,441,481</u>	<u>\$ 374,354</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,815,835</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	170,987	131,961			302,948
Intergovernmental payable - State		49,227			49,227
Interfund payable	8,280	192,788			201,068
Deposits payable	2,540				2,540
Unearned revenues	87,574	378			87,952
Other liabilities	100				100
<b>Total Liabilities</b>	<u>269,481</u>	<u>374,354</u>			<u>643,835</u>
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Capital reserve	1,141,094				1,141,094
Maintenance reserve	250,000				250,000
Excess surplus	2,029,604				2,029,604
Excess surplus - designated for subsequent year's expenditures	2,016,939				2,016,939
<b>Assigned to:</b>					
Year-end encumbrances	57,784				57,784
Designated for subsequent year's budget					-
Unassigned	<u>(323,421)</u>				<u>(323,421)</u>
<b>Total Fund Balances</b>	<u>5,172,000</u>				<u>5,172,000</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 5,441,481</u>	<u>\$ 374,354</u>	<u>\$ -</u>	<u>\$ -</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$33,587,841 and the accumulated depreciation is \$24,763,816. 8,824,025

The difference between the reacquisition price and the net carrying value of old debt (bonds payable) are reported as a deferred outflow of resources. 158,118

Accounts payable related to the April 1, 2019 required PERS contribution that is not to be liquidated with current financial resources. (468,248)

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

Deferred Outflows of resources from Pensions	3,277,485	
Net Pension Liability	(10,879,340)	
Deferred inflows of resources from Pensions	<u>(2,639,922)</u>	(10,241,777)

The following long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds:

General Obligation Bonds	(12,295,000)	
Accrued Interest Payable	(37,430)	
Compensated Absences Payable	<u>(358,737)</u>	(12,691,167)

Net Position of Governmental Activities \$ (9,247,049)

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

**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2018**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 15,743,934	\$ -	\$ -	\$ 1,293,763	\$ 17,037,697
Tuition charges	5,031,214				5,031,214
Interest earned	3,555				3,555
Miscellaneous	592,523				592,523
Total local sources	21,371,226	-		1,293,763	22,664,989
Local Sources		11,622			11,622
State sources	15,387,918	115,285			15,503,203
Federal sources	68,396	996,363			1,064,759
Total Revenues	36,827,540	1,123,270		1,293,763	39,244,573
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	10,564,484	377,819			10,942,303
Special education instruction	2,725,875	438,102			3,163,977
Other instruction	1,794,178				1,794,178
Support services and undistributed costs:					
Tuition	505,079				505,079
Student & instruction related services	3,773,163	222,103			3,995,266
General administrative services	658,578				658,578
School administrative services	1,328,596				1,328,596
Central administrative services	420,842				420,842
Plant operations and maintenance	3,210,752				3,210,752
Pupil transportation	580,995				580,995
Unallocated employee benefits	10,380,791	85,246			10,466,037
Capital outlay	566,258				566,258
Special schools	11,985				11,985
Transfer to charter schools	279,839				279,839
Redemption of principal				820,000	820,000
Interest				473,763	473,763
Total Expenditures	36,801,415	1,123,270	-	1,293,763	39,218,448
Excess (deficiency) of revenues over (under) expenditures	26,125	-	-		26,125
Other Financing Sources (Uses):					
Transfers in					-
Transfers out					-
Total other financing sources (uses)					-
Net change in fund balance	26,125	-	-	-	26,125
Fund balance - July 1, 2017	5,145,875	-	-	-	5,145,875
Fund balance - June 30, 2018	\$ 5,172,000	\$ -	\$ -	\$ -	\$ 5,172,000

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

**COLLINGSWOOD SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2018**

Total net change in fund balances - governmental funds (from B-2)		\$ 26,125
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>Governmental Funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
Depreciation expense	\$ (522,887)	
Fixed assets additions	<u>301,520</u>	(221,367)
<p>Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.</p>		
		820,000
<p>Deferred loss on refunding arising from the issuance of the refunding school bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.</p>		
		(13,176)
<p>Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.</p>		
		2,050
<p>Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.</p>		
		(336,271)
<p>In the statement of activities, certain operating expenses, (e.g. compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+)</p>		
		<u>(111,634)</u>
Change in Net Position of Governmental Activities		<u>\$ 165,727</u>

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

**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2018**

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Flip Tech	Maintenance Services
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 130,274	\$ 6,256	\$ 1,338	\$ 286,928
Intergovernmental receivables:				
State Aid	335			
Federal Aid	22,955			
Other				8,310
Interfund receivable		8,280		
Inventories	14,326			
<b>Total current assets</b>	<b>167,890</b>	<b>14,536</b>	<b>1,338</b>	<b>295,238</b>
Noncurrent Assets:				
Equipment	275,456			
Less - accumulated depreciation	(177,040)			
<b>Total Noncurrent Assets</b>	<b>98,416</b>			
<b>Total Assets</b>	<b>266,306</b>	<b>14,536</b>	<b>1,338</b>	<b>295,238</b>
<b>LIABILITIES:</b>				
Current liabilities:				
Interfund payable				293,693
Accounts payable			1,338	1,545
Unearned revenue	5,292	8,280		
<b>Total Liabilities</b>	<b>5,292</b>	<b>8,280</b>	<b>1,338</b>	<b>295,238</b>
<b>NET POSITION:</b>				
Net investment in capital assets	98,416			
Unrestricted	162,598	6,256		
<b>Total Net Position</b>	<b>\$ 261,014</b>	<b>\$ 6,256</b>	<b>\$ -</b>	<b>\$ -</b>

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

**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2018**

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Flip Tech	Maintenance Funds
<b>Operating Revenues:</b>				
Charges for services:				
Daily sales - reimbursable programs	\$ 101,342	\$ -	\$ -	\$ -
Daily sales - non-reimbursable programs	110,392			
Maintenance services				1,070,700
Miscellaneous		18,124	5,441	
Special functions	3,603			
Total Operating Revenues	<u>215,337</u>	<u>18,124</u>	<u>5,441</u>	<u>1,070,700</u>
<b>Operating Expenses:</b>				
Cost of sales-Reimbursable	237,986			
Cost of sales-Nonreimbursable	35,661			
Salaries	255,225	10,700		
Supplies	32,148	3,204	5,121	
Purchased services	33,902	3,590	320	
Other costs	25,973			1,070,700
Depreciation	17,448			
Total Operating Expenses	<u>638,343</u>	<u>17,494</u>	<u>5,441</u>	<u>1,070,700</u>
Operating Income (Loss)	<u>(423,006)</u>	<u>630</u>		
<b>Nonoperating Revenues (Expenses):</b>				
State sources:				
State school lunch program	6,201			
Federal sources:				
National school lunch program	273,719			
National school breakfast program	103,713			
Food distribution program	46,233			
Interest on investments	300			
Board contribution				
Contributing Capital				
Total Nonoperating Revenues (Expenses)	<u>430,166</u>			
Change in Net Position	7,160	630		
Net Position - July 1, 2017	<u>253,854</u>	<u>5,626</u>		
Net Position - June 30, 2018	<u>\$ 261,014</u>	<u>\$ 6,256</u>	<u>\$ -</u>	<u>\$ -</u>

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

**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2018**

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Flip Tech	Maintenance Funds
<b>Cash Flows from Operating Activities:</b>				
Cash receipts from customers	\$ 215,509	\$ 9,964	\$ 5,441	\$ 1,149,570
Cash receipts from vendor				
Cash payments to employees for services	(255,225)	(10,700)		(1,235,985)
Cash payments to suppliers for goods and services	(316,948)	(6,794)	(4,103)	
Net cash used by operating activities	(356,664)	(7,530)	1,338	(86,415)
<b>Cash Flows from Noncapital Financing Activities:</b>				
Cash received from state sources	6,082			
Cash received from federal sources	370,291			
Operating transfer in/out				
Net cash provided by noncapital financing activities	376,373			
<b>Cash Flows Used by Capital and Related Financing Activities:</b>				
Purchase of equipment				
<b>Cash Flow Provided by Investing Activities:</b>				
Interest on cash equivalents	300			
Net increase (decrease) in cash and cash equivalents	20,009	(7,530)	1,338	(86,415)
Cash and cash equivalents - July 1, 2017	110,265	13,786		373,343
Cash and cash equivalents - June 30, 2018	<u>\$ 130,274</u>	<u>\$ 6,256</u>	<u>\$ 1,338</u>	<u>\$ 286,928</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	\$ (423,006)	\$ 630	\$ -	\$ -
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:				
Depreciation	17,448			
Commodities	46,233			
Change in assets and liabilities:				
(Increase) decrease in accounts receivable				1,632
(Increase) decrease in inventory	2,488			
(Increase) decrease in interfund receivable		(8,280)		1
Increase (decrease) in interfund payable				
Increase (decrease) in unearned revenue	173	120		(86,030)
Increase (decrease) in accounts payable			1,338	(2,018)
Net cash provided by (used for) operating activities	<u>\$ (356,664)</u>	<u>\$ (7,530)</u>	<u>\$ 1,338</u>	<u>\$ (86,415)</u>

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

**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2018**

		Trust Funds		
	Unemployment Compensation Trust	Flexible Benefit Trust	Private Purpose Scholarship Fund	Agency Funds
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 807,627	\$ 12,684	\$ 186,200	\$ 377,414
Total Assets	807,627	12,684	186,200	\$ 377,414
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	\$ 5,921			\$ 171,522
Interfund payable				412
Due to student groups				205,480
Total Liabilities	5,921			\$ 377,414
<b>NET POSITION:</b>				
Held in trust for unemployment claims and other purposes	\$ 801,706			
Held in trust for claims		\$ 12,684		
Reserved for scholarships			\$ 186,200	

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

**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2018**

	<u>Unemployment Compensation Trust</u>	<u>Flexible Benefit Trust</u>	<u>Private Purpose Scholarship Fund</u>
<b>ADDITIONS:</b>			
Contributions:	\$ 35,295	\$ 24,102	\$ 34,497
Total Contributions	<u>35,295</u>	<u>24,102</u>	<u>34,497</u>
Interest earned on investments	<u>7,791</u>	<u>80</u>	<u></u>
Total Additions	<u>43,086</u>	<u>24,182</u>	<u>34,497</u>
<b>DEDUCTIONS:</b>			
Claims paid	19,106	20,943	36,759
Scholarships awarded	<u></u>	<u></u>	<u></u>
Total Deductions	<u>19,106</u>	<u>20,943</u>	<u>36,759</u>
Change in Net Position	23,980	3,239	(2,262)
Net Position - July 1, 2017	<u>777,726</u>	<u>9,445</u>	<u>188,462</u>
Net Position - June 30, 2018	<u>\$ 801,706</u>	<u>\$ 12,684</u>	<u>\$ 186,200</u>

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



**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The Collingswood School District (“School District”) is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. In addition, the School District provides educational services for students in grades 9 through 12 received from the Oaklyn School District and the Woodlynne School District, on a tuition basis. The School District has an approximate enrollment at June 30, 2018 of 1,993 students.

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

**Component Units** – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government’s management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

**Basis of Presentation**

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

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

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

**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

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

**Basis of Presentation (Continued)**

**Government-wide Statements (Continued)** - Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

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

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

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

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

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

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

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

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

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

**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

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

**Proprietary Funds (Continued)**

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

The School District's enterprise funds are:

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

**Summer Theater** - This fund accounts for the financial transactions related to the summer theater program.

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

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

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

**Internal Service Fund** – The internal service fund has been established to account for the financing of maintenance services provided by the Collingswood School District for use by other school districts, as well as for the Collingswood School District itself. Services are provided on a cost-reimbursement basis.

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

**Measurement Focus**

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

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

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

**Measurement Focus (Continued)**

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

**Basis of Accounting**

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

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

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

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

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

**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

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

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

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

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

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

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

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

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

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

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

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

**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

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

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

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

**Tuition Payable** - Tuition charges for the fiscal years ended June 30, 2018 and 2017 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

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

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

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

**Prepaid Expenses** - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2018.

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

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

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

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

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

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

**Capital Assets (Continued)** - Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

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

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

**Bond Defeasances** – In the government-wide financial statements, gains or losses on bond refundings represent the difference between the price required to repay previously issued debt and the net carrying amount of the retired debt, and are recorded as either a deferred outflow or deferred inflow of resources. In subsequent years, these amounts are amortized on a straight-line basis as a component of interest expense over the shorter of the life of the old or new debt.

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

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

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

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

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

**Accrued Liabilities and Long-Term Obligations** - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

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

**Accrued Liabilities and Long-Term Obligations (Continued)** - However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

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

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

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

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

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

**Nonspendable** - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2018.

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

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

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

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



**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

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

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

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

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

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

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

**Recently Issued Accounting Pronouncements** - In November 2016, the GASB issued Statement 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In January 2017, the GASB issued Statement 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In June 2017, the GASB issued Statement 87, *Leases*. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In April 2018, the GASB issued Statement 88, *Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements*. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. As a result, users will have better information to understand the effects of debt on a government’s future resource flows. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

**Recently Issued Accounting Pronouncements (Continued)** - In June 2018, the GASB issued Statement 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of this Statement on the District's financial statements.

**2. CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$6,612,632 as of June 30, 2018, \$354,760 was insured under FDIC and the remaining balance of \$6,257,872 was collateralized under GUDPA.

**3. CAPITAL RESERVE ACCOUNT**

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

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

The activity of the capital reserve for the July 1, 2017 to June 30, 2018 fiscal year is as follows:

Balance July 1, 2017		\$	1,137,539
Increased by:			
Interest Earned	\$		3,555
Transfer per Board Resolution	-		-
			3,555
Balance June 30, 2018		\$	1,141,094

The June 30, 2018 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects.

**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

**4. ACCOUNTS RECEIVABLES**

Accounts receivables at June 30, 2018 consisted of other governmental units and governmental grants. All receivables are considered collectible in full due to the stable condition of the other governmental units, State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2018 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Enterprise Fund	Internal Service Fund	Total
Intergovernmental					
State	\$ 147,297	\$ -	\$ 335	\$ -	\$ 147,632
Federal		374,354	22,955		397,309
Other	565,132			8,310	573,442
<b>Total</b>	<b>\$ 712,429</b>	<b>\$ 374,354</b>	<b>\$ 23,290</b>	<b>\$ 8,310</b>	<b>\$ 1,118,383</b>

**5. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Restated Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
<b>Governmental Activities:</b>				
Land	\$ 390,040	\$ -	\$ -	\$ 390,040
<b>Total Capital Assets not being</b>				
Depreciation	390,040			390,040
Land Improvements	1,603,575	107,310		1,710,885
Building and Improvements	24,862,826	122,570		24,985,396
Vehicles	325,403	-		325,403
Equipment	6,104,477	71,640		6,176,117
<b>Total Historical Cost</b>	<b>33,286,321</b>	<b>301,520</b>	<b>-</b>	<b>33,587,841</b>
<b>Less Accumulated Depreciation:</b>				
Land Improvements	(1,024,558)	(59,527)		(1,084,085)
Building and Improvements	(17,774,533)	(318,957)		(18,093,490)
Vehicles	(218,356)	(17,831)		(236,187)
Equipment	(5,223,482)	(126,572)		(5,350,054)
<b>Total Accumulated Depreciation</b>	<b>(24,240,929)</b>	<b>(522,887)</b>	<b>-</b>	<b>(24,763,816)</b>
<b>Governmental Activities Capital</b>				
<b>Assets, Net</b>	<b>\$ 9,045,392</b>	<b>\$ (221,367)</b>	<b>\$ -</b>	<b>\$ 8,824,025</b>
<b>Business-Type Activities:</b>				
Equipment	275,456			275,456
Less - Accumulated Depreciation	(159,592)	(17,448)		(177,040)
<b>Business-Type Activities Capital</b>				
<b>Assets, Net</b>	<b>\$ 115,864</b>	<b>\$ (17,448)</b>	<b>\$ -</b>	<b>\$ 98,416</b>

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**5. CAPITAL ASSETS (Continued)**

Depreciation expense in the amount of \$522,887 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 366,021
General Administration	52,289
Plant operations and maintenance	78,433
Unallocated	26,144
Total depreciation expense	\$ 522,887

**6. INVENTORY**

Inventory in the food service fund at June 30, 2018 consisted of the following:

Food	\$ 10,975
Supplies	3,351
	\$ 14,326

**7. LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2018, the following changes occurred in long-term obligations:

	Outstanding June 30, 2017	Additions	Reductions	Outstanding June 30, 2018	Due Within One Year
<b>Governmental Activities:</b>					
Compensated Absences	\$ 247,103	\$ 111,634	\$ -	\$ 358,737	\$ -
General Obligation Bonds	13,115,000		820,000	12,295,000	840,000
Net Pension Liability	14,153,643		3,274,303	10,879,340	
	\$ 27,515,746	\$ 111,634	\$ 4,094,303	\$ 23,533,077	\$ 840,000

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

2012 Refunding School Bonds dated December 1, 2012 in the amount of \$12,295,000 due in annual installments through June 1, 2030, bearing interest rates of 2.50 % to 5.00%.

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

As of June 30, 2018, principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 840,000	\$ 449,162	\$ 1,289,162
2020	860,000	415,563	1,275,563
2021	910,000	381,162	1,291,162
2022	910,000	344,763	1,254,763
2023	955,000	308,362	1,263,362
2024-2028	5,475,000	870,338	6,345,338
2029-2030	2,345,000	96,800	2,441,800
	<u>\$ 12,295,000</u>	<u>\$ 2,866,150</u>	<u>\$ 15,161,150</u>

As of June 30, 2018 the School District had no authorizations to issue additional bonded debt.

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

**8. OPERATING LEASES**

At June 30, 2018, the School District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$45,480 for the fiscal year ended June 30, 2018. The future minimum lease payments for these leases are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2019	\$ 37,724
2020	29,544
2021	15,597
2022	14,068
2023	2,345
	<u>\$ 99,278</u>

**9. PENSION PLANS**

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

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (CONTINUED)**

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

*Plan Description* - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement, death and disability, and medical benefits to qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

*Vesting and Benefit Provisions* - 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 medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
4	Members who were eligible to enroll on or after May 21, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for their respective tier.

*Contributions* - The contribution requirements of plan members are determined by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, 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 member contribution rate was 7.34% in State fiscal year 2018. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

For fiscal year 2017, the State's pension contribution was less than the actuarial determined amount.

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

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2018 because of the 100.00% special funding situation with the State of New Jersey.

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (CONTINUED)**

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

Based on the most recent TPAF measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2018 was \$1,673,718 and was paid by April 1, 2018. School District employee contributions to the pension plan during the fiscal year ended June 30, 2018 were \$1,196,616.

*Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions* - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and 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.

At June 30, 2018, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

For the year ended June 30, 2018, the School District recognized pension expense of \$6,961,853 and revenue of \$6,961,853 for support provided by the State. Although the School 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 School District.

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

	06/30/17	06/30/16
Collective deferred outflows of resources	\$ 14,160,879,257	\$ 17,414,701,002
Collective deferred inflows of resources	11,800,239,661	134,532,594
Collective net pension liability (Non-Employer – State of New Jersey)	67,423,605,859	79,028,907,033
State's portion of the net pension liability that was associated with the School District	100,495,985	115,596,400
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.1490516325%	.1469451357%

*Actuarial assumptions* – The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

- Inflation: 2.25%
- Salary Increases: Varies based on experience
- Investment Rate of Return: 7.00%

Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60-year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

**Collingswood School District  
Notes to Basic Financial Statements  
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**9. PENSION PLANS (CONTINUED)**

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

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) 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 TPAF's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	05.00%	05.51%
Cash Equivalents	05.50%	01.00%
U.S. Treasuries	03.00%	01.87%
Investment grade credit	10.00%	03.78%
Public high yield	02.50%	06.82%
Global diversified credit	05.00%	07.10%
Credit oriented hedge funds	01.00%	06.60%
Debt related private equity	02.00%	10.63%
Debt related real estate	01.00%	06.61%
Private real asset	02.50%	11.83%
Equity related real estate	06.25%	09.23%
U.S. Equity	30.00%	08.19%
Non-U.S. developed markets equity	11.50%	09.00%
Emerging markets equity	06.50%	11.64%
Buyouts/venture capital	08.25%	13.08%
	<u>100.00%</u>	

*Discount rate.* The discount rate used to measure the State's total pension liability was 4.25% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, 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 contribution rate in the most recent fiscal year. The state contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2036. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2036, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.* As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2017, the pension plans measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 4.25%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.25%) or 1 percentage point higher (5.25%) that the current rate:



**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (CONTINUED)**

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

	<u>1% Decrease (3.25%)</u>	<u>Current Discount Rate (4.25%)</u>	<u>1% Increase (5.25%)</u>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	119,392,383	100,495,985	84,929,051
	<u>\$ 119,392,383</u>	<u>\$ 100,495,985</u>	<u>\$ 84,929,051</u>

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)**

*Plan Description* - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS designated purpose is to provide retirement, death and disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

*Vesting and Benefit Provisions* - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except medical benefits, which vest after 25 years of service or under the disability provisions of PERS

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
4	Members who were eligible to enroll on or after May 21, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for their respective tier.

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (CONTINUED)**

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

*Contributions* - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, 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 member contribution rate was 7.34% in State fiscal year 2018. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 336, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2018 was 13.93% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2017, the School Districts contractually required contribution to the pension plan for the fiscal year ended June 30, 2018 was \$432,957 and was paid by April 1, 2018. School District employee contributions to the pension plan during the fiscal year ended June 30, 2018 were \$247,372.

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

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Long Term Disability</u>	<u>Total Liability Paid by District</u>
2018	\$ 56,986	\$ 354,867	\$ 21,104	\$ 6,875	\$ 439,832
2017	66,408	337,959	20,181	-	424,548
2016	70,525	324,882	21,170	-	416,577

*Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions* – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the 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.

At June 30, 2018, the School District reported a liability of \$10,879,340 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended June 30, 2018, the School District recognized pension expense of \$769,225.

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (CONTINUED)**

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

At June 30, 2018, the School District reported a liability of \$10,879,340 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 256,171	\$ -
Changes of assumptions	2,191,812	2,183,777
Net Difference between projected and actual earnings on pension plan investments	74,081	
Changes in proportion	287,173	456,145
District contributions subsequent to the measurement date	468,248	
<b>Total</b>	<b>\$ 3,277,485</b>	<b>\$ 2,639,922</b>

\$468,248 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2018, the plan measurement date is June 30, 2017) will be recognized as a reduction of the net liability in the year ended June 30, 2018.

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

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2019	\$ 123,605
2020	264,364
2021	115,431
2022	(290,001)
2023	(44,084)
<b>Total</b>	<b>\$ 169,315</b>

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (CONTINUED)**

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

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
Changes in proportion		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57

**Additional Information**

Collective balances at June 30, 2017 and 2016 are as follows:

	6/30/2017	6/30/2016
Collective deferred outflows of resources	\$ 6,424,455,842	\$ 8,685,338,380
Collective deferred inflows of resources	\$ 5,700,625,981	\$ 870,133,595
Collective net pension liability	\$ 23,278,401,588	\$ 29,617,131,759
School District's Proportion	.0467357705%	.0477887017%

**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (CONTINUED)**

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

*Actuarial assumptions* – The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate: 2.25%  
Salary Increases:  
    Through 2025: 1.65-4.15% based on age  
    Thereafter: 2.65-5.15% based on age  
Investment Rate of Return: 7.00%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active employees. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disables Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. 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 (7.00% at June 30, 2017) 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.

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (CONTINUED)**

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

Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	05.00%	05.51%
Cash equivalents	05.50%	01.00%
U.S. Treasuries	03.00%	01.87%
Investment grade credit	10.00%	03.78%
Public high yield	02.50%	06.82%
Global diversified credit	05.00%	07.10%
Credit oriented hedge funds	01.00%	06.60%
Debt related private equity	02.00%	10.63%
Debt related real estate	01.00%	06.61%
Private real assets	02.50%	11.83%
Equity related real estate	06.25%	09.23%
U.S. Equity	30.00%	08.19%
Non-U.S. developed markets equity	11.50%	09.00%
Emerging markets equity	06.50%	11.64%
Buyouts/venture capital	08.25%	13.08%
	<u>100.00%</u>	

*Discount rate.* The discount rate used to measure the State's total pension liability was 5.00% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The state employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

*Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2017, calculated using the discount rate of 5.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.00%) or 1 percentage point higher (6.00%) than the current rate:

	<u>1% Decrease (4.00%)</u>	<u>Current Discount Rate (5.00%)</u>	<u>1% Increase (6.00%)</u>
School District's proportionate share of the net pension liability	\$ 13,496,560	\$ 10,879,340	\$ 8,698,872

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

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**9. PENSION PLANS (CONTINUED)**

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

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

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

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

<u>Year</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2018	\$ 13,041	\$ 13,041
2017	9,564	9,564
2016	7,122	7,122

**10. POST-RETIREMENT BENEFITS**

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

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (APB) who retired from a board of education or county college with 25 years of service (GASB Cod. Sec. 2300.106(g)). 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.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Employees covered by benefit terms. At June 30, 2017, the following employees were covered by the benefit terms:

TPAF participant retirees:

As of June 30, 2017, there were 112,966 retirees receiving post-retirement medical benefits, and the State contributed \$1.39 billion on their behalf.

PERS participant retirees:

The State paid \$238.9 million toward Chapter 126 benefits for 20,913 eligible retired members in Fiscal Year 2017.

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the school district. Note that actual numbers will be published in the NJ State's CAFR (<https://www.nj.gov/treasury/omb/publications/archives.shtml>)

*Actuarial assumptions and other imputes* - The total nonemployer OPEB liability as of the June 30, 2017 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. The total nonemployer OPEB liability as of June 30, 2016 was determined by an actuarial valuation as of June 30, 2016. The actuarial assumptions vary for each plan member depending on the pension plan the member enrolled in.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation	2.50%		
	TPAF/ABP	PERS	PFRS
Salary Increases Through 2026	1.55 - 4.55% based on years of service	2.15 - 4.15% based on age	2.10 - 8.98% based on age
Thereafter	2.00 - 5.45% based on years of service	3.15 - 5.15% based on age	3.10 - 9.98% based on age

Preretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 – June 30, 2015, July 1, 2010 – June 30, 2013 and July 1, 2011 – June 30, 2014 for TPAF, PFRS, and PERS, respectively.

*Health Care Trend Assumptions* - For pre-Medicare preferred provider organization (PPO) medial benefits, this amount initially is 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

*Discount Rate* - The discount rate for June 30, 2017 and 2016 was 3.58% and 2.85%, respectively. This represent the municipal bond return rate as chosen by the Division. The source is 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.

*Retirees' Share of Benefit Related Costs* - Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit.



**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

The percentage of the premium for which the retirees will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

*Changes in the Total OPEB Liability reported by the State of New Jersey -*

	<u>Total OPEB Liability</u>
Balance as of June 30, 2106 Measurement Date	\$ 57,831,784,184
Changes for the years'	
Service Cost	\$ 2,391,878,884
Interest	1,699,441,736
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	(7,086,599,129)
Gross Benefit Payments	(1,242,412,566)
Contributions from the Non-employer	N/A
Contributions from the Member	45,748,749
Net Investment Income	N/A
Administrative Expense	<u>N/A</u>
Net Changes	\$ (4,191,942,326)
Balance at 06/30/2017	\$ 53,639,841,858

Changes of assumptions and other inputs reflect a change in the discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017.

*Sensitivity of the total OPEB liability to changes in the discount rate -* The following presents the total nonemployer OPEB liability of the State as of June 30, 2017 for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage -point lower or 1percentage-point higher than the current discount rate:

	<u>1% Decrease (2.58%)</u>	<u>Current Discount Rate (3.58%)</u>	<u>1% Increase (4.58%)</u>
Total OPEB Liability (School Retirees)	\$ 63,674,362,200	\$ 53,639,841,858	\$ 45,680,364,953

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates -* The following presents the total nonemployer OPEB liability of the State as of June 30, 2107, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability (School Retirees)	\$ 44,113,584,560	\$ 53,639,841,858	\$ 66,290,599,457

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:* For the year ended June 30, 2017, the board of education recognized OPEB expense of \$4,933,085 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

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

In accordance with GASBS No. 75, the school district's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

At June 30, 2017, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>06/30/17</u>
Collective deferred outflows of resources	\$ 99,843,255
Collective deferred inflows of resources	6,443,612,287
Collective net OPEB liability (Non-Employer – State of New Jersey)	53,639,841,858
State's portion of the net OPEB liability that was associated with the School District	84,698,989
State's portion of the net OPEB liability that was associated with the School District as a percentage of the collective net OPEB liability	0.16%

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 99,843,255	\$ 99,843,255
Changes of assumptions	-	6,343,769,032
Total	\$ 99,843,255	\$ 6,443,612,287

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB will be recognized in OPEB expense as follows:

For the year ended:	
2018	\$ (742,830,097)
2019	(742,830,097)
2020	(742,830,097)
2021	(742,830,097)
2022	(742,830,097)
Therafter	(2,629,618,547)
Total	\$ (6,343,769,032)

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

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2018, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long term disability insurance were \$2,277,612, \$1,471,061, and \$4,149, respectively. In addition, \$1,162,765 on-behalf payments were made by the state for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**12. RISK MANAGEMENT**

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

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

**Joint Insurance Pool** - The School District is a member of the New Jersey Burlington County Joint Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Comprehensive Annual Financial Report

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

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

The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2018	\$ 7,791	\$ 35,295	\$ 19,106	\$ 801,706
2017	4,176	34,389	11,524	777,726
2016	3,113	33,008	75,737	750,685

**13. DEFERRED COMPENSATION**

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

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**14. COMPENSATED ABSENCES**

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2018, the liability for compensated absences in the governmental activities fund type was \$358,737.

**15. INTERFUND RECEIVABLES/PAYABLES**

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2019. The following interfund receivables/payables were recorded on the various balance sheets as of June 30, 2018:

Fund	Interfunds Receivable	Interfunds Payable
General Fund	\$ 486,893	\$ 8,280
Special Revenue Fund		192,788
Proprietary Fund	8,280	293,693
Fiduciary Fund		412
	\$ 495,173	\$ 495,173

**16. CONTINGENCIES**

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

At June 30, 2018, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

**17. FLEXIBLE BENEFITS PROGRAM**

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

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

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

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

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2018	\$ 80	\$ 24,102	\$ 20,943	\$ 12,684
2017	11	24,000	28,100	9,445
2016	22	28,500	22,572	13,534

**18. TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The Borough of Collingswood (Municipality) provides for long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Municipality are for affordable housing and other permitted purposes. Taxes abated include municipal, local school, and county taxes.

The municipality recognized revenue of \$1,254,323 from the annual service charge in lieu of payment of taxes in 2017. The assessed value on these tax exemption properties amounted to \$113,154,600 which would have resulted in 2017 taxes billed in full of \$3,878,940. A portion of the \$2,624,617 abatement would have been allocated to the District.

**19. DEFICIT UNASSIGNED FUND BALANCE**

The School District has a deficit unassigned fund balance of \$323,421 in the General Fund as of June 30, 2018 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable

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

**Collingswood School District  
Notes to Basic Financial Statements  
For the Fiscal Year Ended June 30, 2018**

**19. DEFICIT UNASSIGNED FUND BALANCE (Continued)**

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$323,421 is equal to or less than the June state aid payment.

**20. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2018, a deficit of \$11,271,495 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances, June 30, 2018:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds)	
Unassigned	\$ (323,421)
Add - Deferred Outflow of Resources	158,118
Liabilities:	
Accrued Interest Payable	(37,430)
Net Pension Differences	(10,710,025)
Compensated Absences	<u>(358,737)</u>
Unrestricted Net Position (Deficit)	<u>\$ (11,271,495)</u>

**21. FUND BALANCES**

*RESTRICTED*

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

**General Fund:**

**Excess Surplus** – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2018 is \$2,029,604 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$2,016,939 of excess fund balance generated during the 2016-2017 fiscal year has been restricted and designated for utilization in the 2018-2019 budget.

**Capital Reserve** – As of June 30, 2018, the balance in the capital reserve account is \$1,141,094. The entire amount is restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan.

**Maintenance Reserve Account** – As of June 30, 2018, the balance in the maintenance reserve account is \$250,000. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**Collingswood School District**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2018**

**21. FUND BALANCES (CONTINUED)**

*ASSIGNED*

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

**General Fund:**

**Other Purposes** – At June 30, 2018 the School District has \$57,784 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

*UNASSIGNED*

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

**General Fund** – As of June 30, 2018, the unassigned fund balance of the general fund was a deficit of \$323,421. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 18).

Required Supplementary Information - Part II



**Budgetary Comparison Schedules**

**COLLINGSWOOD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources:					
Local Tax Levy	\$ 15,743,934	\$ -	\$ 15,743,934	\$ 15,743,934	\$ -
Tuition - From Other LEA's	4,690,210	-	4,690,210	4,878,361	188,151
Tuition - From Individuals	130,000	-	130,000	152,853	22,853
Interest earned on capital reserve funds	2,034	-	2,034	3,555	1,521
Unrestricted misc. revenues	213,500	-	213,500	592,523	379,023
<b>Total local sources</b>	<b>20,779,678</b>	<b>-</b>	<b>20,779,678</b>	<b>21,371,226</b>	<b>591,548</b>
State sources:					
School choice aid	199,563	-	199,563	199,563	-
Categorical special education aid	924,652	-	924,652	924,652	-
Equalization aid	7,838,657	-	7,838,657	7,838,657	-
Categorical security aid	267,409	-	267,409	267,409	-
Adjustment aid	1,044,170	(123,376)	920,794	920,794	-
Categorical transportation aid	176,430	-	176,430	176,430	-
Extraordinary aid	24,000	-	24,000	43,259	19,259
PARCC Readiness Aid	16,010	-	16,010	16,010	-
Per Pupil Growth Aid	16,010	-	16,010	16,010	-
Professional Learning Community Aid	16,430	-	16,430	16,430	-
Lead Testing for Schools Aid	-	-	-	511	511
Homeless Tuition Aid	-	-	-	47,081	47,081
On-behalf TPAF pension contri. (non-budgeted)	-	-	-	2,277,612	2,277,612
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	1,471,061	1,471,061
On-behalf TPAF - LTDI (non-budgeted)	-	-	-	4,149	4,149
Reimbursed TPAF social security contribution (non-budgeted)	-	-	-	1,162,765	1,162,765
<b>Total state sources</b>	<b>10,523,331</b>	<b>(123,376)</b>	<b>10,399,955</b>	<b>15,382,393</b>	<b>4,982,438</b>
Federal sources:					
Medicaid reimbursement	38,724	-	38,724	68,396	29,672
<b>Total federal sources</b>	<b>38,724</b>	<b>-</b>	<b>38,724</b>	<b>68,396</b>	<b>29,672</b>
<b>TOTAL REVENUES</b>	<b>31,341,733</b>	<b>(123,376)</b>	<b>31,218,357</b>	<b>36,822,015</b>	<b>5,603,658</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	252,422	-	252,422	240,861	11,561
Kindergarten	424,050	6,758	430,808	411,289	19,519
Grades 1-5	3,152,905	(104,151)	3,048,754	2,997,882	50,872
Grades 6-8	1,870,105	7,931	1,878,036	1,857,515	20,521
Grades 9-12	4,060,300	(36,627)	4,023,673	4,007,106	16,567
Regular Programs - Home Instruction:					
Salaries of teachers	36,000	(18,500)	17,500	16,966	534
Purchased professional - educ services	18,000	(2,800)	15,200	6,410	8,790
Regular Programs - Undistributed Instruction:					
Unused vacation payment to terminated/retired staff	-	-	-	-	-
Purchased professional - educ services	10,000	-	10,000	10,000	-
Purchased technical services	95,806	153,000	248,806	248,589	217
Other purchased services	146,600	15,330	161,930	154,696	7,234
General supplies	875,105	(197,449)	677,656	605,015	72,641
Textbooks	8,850	-	8,850	5,440	3,410
Other objects	4,680	(100)	4,580	2,715	1,865
<b>Total - Regular Programs - Instruction</b>	<b>10,954,823</b>	<b>(176,608)</b>	<b>10,778,215</b>	<b>10,564,484</b>	<b>213,731</b>

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

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**COLLINGSWOOD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Special Education Instruction:</b>					
Behavioral Disabilities:					
General supplies	\$ -	\$ -	\$ -	\$ -	\$ -
Textbooks	-	-	-	-	-
Total multiple disabilities	-	-	-	-	-
Multiple Disabilities:					
Salaries of teachers	377,400	2,533	379,933	379,933	-
Other salaries for instruction	245,960	48,214	294,174	281,324	12,850
Purchased prof. educational services	107,000	19,494	126,494	113,427	13,067
Purchased technical services	-	-	-	-	-
General supplies	10,000	(459)	9,541	8,584	957
Textbooks	4,000	-	4,000	3,466	534
Total multiple disabilities	744,360	69,782	814,142	786,734	27,408
Resource room/resource center::					
Salaries of teachers	1,446,920	(65,463)	1,381,457	1,374,527	6,930
Other salaries for instruction	98,428	(25,500)	72,928	32,405	40,523
Purchased prof. educational services	137,000	31,495	168,495	168,495	-
General supplies	6,000	2,375	8,375	7,264	1,111
Textbooks	5,000	(638)	4,362	2,387	1,975
Total resource room/resource center	1,693,348	(57,731)	1,635,617	1,585,078	50,539
Autism:					
Salaries of teachers	-	-	-	-	-
Other salaries for instruction	-	-	-	-	-
Total autism	-	-	-	-	-
Preschool Disabilities - Part-Time:					
Salaries of teachers	81,950	5,850	87,800	86,000	1,800
Other salaries for instruction	14,469	49,069	63,538	60,596	2,942
Purchased prof. educational services	118,000	80,794	198,794	198,759	35
General Supplies	3,000	(2,380)	620	620	-
Total preschool disabilities - part-time	217,419	133,333	350,752	345,975	4,777
Home Instruction					
Salaries of teachers	36,000	(34,000)	2,000	1,838	162
Purchased prof. educational services	18,000	(9,300)	8,700	6,250	2,450
Total home instruction	54,000	(43,300)	10,700	8,088	2,612
<b>Total Special Education - Instruction</b>	<b>2,709,127</b>	<b>102,084</b>	<b>2,811,211</b>	<b>2,725,875</b>	<b>85,336</b>
<b>Basic Skills/Remedial - Instruction</b>					
Salaries of teachers	809,716	68,583	878,299	859,787	18,512
General supplies	14,684	-	14,684	12,936	1,748
<b>Total basic skills/remedial - instruction</b>	<b>824,400</b>	<b>68,583</b>	<b>892,983</b>	<b>872,723</b>	<b>20,260</b>
<b>Bilingual Education - Instruction</b>					
Salaries of teachers	142,100	480	142,580	142,580	-
General supplies	3,300	(170)	3,130	315	2,815
<b>Total bilingual education - instruction</b>	<b>145,400</b>	<b>310</b>	<b>145,710</b>	<b>142,895</b>	<b>2,815</b>

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

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**COLLINGSWOOD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>School-Sponsored Cocurricular Act - Instruction:</b>					
Salaries of teachers	\$ 121,000	\$ -	\$ 121,000	\$ 104,067	\$ 16,933
Purchased services	8,500	-	8,500	4,500	4,000
Supplies and materials	11,050	-	11,050	10,309	741
Other objects	11,000	205	11,205	10,365	840
<b>Total school-sponsored cocurr. act. - instruc.</b>	<b>151,550</b>	<b>205</b>	<b>151,755</b>	<b>129,241</b>	<b>22,514</b>
<b>School-Sponsored Athletics - Instruction:</b>					
Salaries of teachers	479,140	12,474	491,614	487,595	4,019
Purchased services	106,500	(1,523)	104,977	99,605	5,372
Supplies and materials	50,000	-	50,000	49,801	199
Other objects	10,000	-	10,000	9,898	102
<b>Total school-sponsored athletics - instruc.</b>	<b>645,640</b>	<b>10,951</b>	<b>656,591</b>	<b>646,899</b>	<b>9,692</b>
<b>Before/After School Programs - Instruction:</b>					
Salaries of teachers	4,500	-	4,500	2,420	2,080
<b>Total school-sponsored athletics - instruc.</b>	<b>4,500</b>	<b>-</b>	<b>4,500</b>	<b>2,420</b>	<b>2,080</b>
<b>Total Instruction</b>	<b>15,435,440</b>	<b>5,525</b>	<b>15,440,965</b>	<b>15,084,537</b>	<b>356,428</b>
<b>Undistributed Expenditures - Instruction</b>					
Tuition to other LEA's within the state - regular	39,086	24,900	63,986	63,503	483
Tuition to other LEA's within the state - special	29,000	(1,000)	28,000	27,472	528
Tuition to county voc. school district - regular	48,500	(31,952)	16,548	7,567	8,981
Tuition to CSSD & reg. day schools	387,820	(4,900)	382,920	301,890	81,030
Tuition to priv. sch. for the disabled in state	130,540	(49,000)	81,540	76,272	5,268
Tuition - state facilities	24,775	-	24,775	24,775	-
Tuition - other	69,000	-	69,000	3,600	65,400
<b>Total undistributed expenditures - instruction</b>	<b>728,721</b>	<b>(61,952)</b>	<b>666,769</b>	<b>505,079</b>	<b>161,690</b>
<b>Attendance and Social Work:</b>					
Salaries	17,000	-	17,000	17,000	-
<b>Total attendance and social work</b>	<b>17,000</b>	<b>-</b>	<b>17,000</b>	<b>17,000</b>	<b>-</b>
<b>Health Services:</b>					
Salaries	385,800	2,921	388,721	388,719	2
Purchased professional and tech. services	30,600	-	30,600	27,993	2,607
Other purchased services	-	300	300	216	84
Supplies and materials	7,850	2,237	10,087	9,520	567
<b>Total health services</b>	<b>424,250</b>	<b>5,458</b>	<b>429,708</b>	<b>426,448</b>	<b>3,260</b>
<b>Speech, OT, PT &amp; Related Services:</b>					
Salaries	326,256	(21,629)	304,627	273,905	30,722
Purchased professional and educ. services	3,800	6,879	10,679	10,679	-
Supplies and materials	25,000	(12,250)	12,750	12,642	108
<b>Total speech, ot, pt, &amp; related services</b>	<b>355,056</b>	<b>(27,000)</b>	<b>328,056</b>	<b>297,226</b>	<b>30,830</b>

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

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**COLLINGSWOOD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Support Services Student - Extra:					
Salaries	\$ 136,000	\$ -	\$ 136,000	\$ 130,031	\$ 5,969
Purchased professional - educ. services	319,560	17,479	337,039	333,861	3,178
<b>Total other support services student - extra</b>	<b>455,560</b>	<b>17,479</b>	<b>473,039</b>	<b>463,892</b>	<b>9,147</b>
Guidance:					
Salaries of other professional staff	349,830	50,354	400,184	384,276	15,908
Salaries of secretarial and clerical assistants	80,400	-	80,400	80,400	-
Purchased professional - educ. services	6,823	-	6,823	6,465	358
Other purchased prof. and tech. services	81,650	(45,000)	36,650	25,045	11,605
Other purchased services	500	-	500	185	315
Supplies and materials	3,427	-	3,427	2,441	986
Other objects	675	-	675	629	46
<b>Total guidance</b>	<b>523,305</b>	<b>5,354</b>	<b>528,659</b>	<b>499,441</b>	<b>29,218</b>
Child Study Teams:					
Salaries of other professional staff	674,306	21,148	695,454	683,626	11,828
Salaries of secretarial and clerical assistants	77,300	-	77,300	77,300	-
Purchased professional - educ services	23,107	(7,943)	15,164	15,164	-
Miscellaneous purchased services	12,000	(10,672)	1,328	983	345
Supplies and materials	14,000	14,380	28,380	25,493	2,887
Other Objects	-	-	-	-	-
<b>Total child study teams</b>	<b>800,713</b>	<b>16,913</b>	<b>817,626</b>	<b>802,566</b>	<b>15,060</b>
Improvement of Instructional Services:					
Salaries of supervisor of instruction	496,536	-	496,536	496,535	1
Salaries of other professional staff	20,000	5,200	25,200	24,567	633
Salaries of secretarial and clerical assistants	9,862	300	10,162	10,120	42
Purchased professional - educ services	34,450	(5,500)	28,950	13,505	15,445
Supplies and materials	920	-	920	611	309
<b>Total improvement of instructional services</b>	<b>561,768</b>	<b>-</b>	<b>561,768</b>	<b>545,338</b>	<b>16,430</b>
Educational Media Services/School Library:					
Salaries	378,845	(13,563)	365,282	351,161	14,121
Purchased professional - educ services	-	-	-	-	-
Supplies and materials	18,844	1,269	20,113	18,317	1,796
<b>Total educational media services/school library</b>	<b>397,689</b>	<b>(12,294)</b>	<b>385,395</b>	<b>369,478</b>	<b>15,917</b>
Instructional Staff Training Services:					
Salaries of supervisors of instruction	311,706	-	311,706	311,706	-
Salaries of secretarial and clerical assistants	11,009	-	11,009	10,970	39
Purchased professional - educ services	3,800	-	3,800	3,077	723
Other purchased services (400-500 series)	40,450	-	40,450	26,021	14,429
<b>Total instructional staff training services</b>	<b>366,965</b>	<b>-</b>	<b>366,965</b>	<b>351,774</b>	<b>15,191</b>

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

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**COLLINGSWOOD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>General Administration:</b>					
Salaries	\$ 317,100	\$ 15,547	\$ 332,647	\$ 321,981	\$ 10,666
Legal services	50,000	(7,994)	42,006	42,005	1
Audit fees	25,500	(500)	25,000	25,000	-
Other purchased professional services	39,485	65,350	104,835	104,256	579
Communications / telephone	64,632	(33,491)	31,141	24,186	6,955
BOE other purchased services	1,000	(1,000)	-	-	-
Other purchased services	111,671	12,589	124,260	116,673	7,587
General supplies	2,500	(205)	2,295	2,156	139
Judgements against school districts	-	-	-	-	-
Miscellaneous expenditures	5,100	400	5,500	5,387	113
BOE membership dues and fees	17,200	-	17,200	16,934	266
<b>Total general administration</b>	<b>634,188</b>	<b>50,696</b>	<b>684,884</b>	<b>658,578</b>	<b>26,306</b>
<b>School Administration:</b>					
Salaries of principals/assist. principals	893,123	(13,760)	879,363	872,287	7,076
Salaries of secretarial and clerical assistants	433,500	160	433,660	433,660	-
Other purchased services	13,805	-	13,805	9,898	3,907
Supplies and materials	11,750	-	11,750	8,628	3,122
Other objects	11,648	-	11,648	4,123	7,525
<b>Total school administration</b>	<b>1,363,826</b>	<b>(13,600)</b>	<b>1,350,226</b>	<b>1,328,596</b>	<b>21,630</b>
<b>Central Services:</b>					
Salaries	355,300	2,364	357,664	357,661	3
Purchased professional services	11,591	3,100	14,691	14,596	95
Purchased technical services	25,125	3,900	29,025	28,913	112
Miscellaneous purchased services	11,750	(5,051)	6,699	819	5,880
Supplies	9,900	(2,250)	7,650	7,601	49
Miscellaneous expenditures	2,164	301	2,465	2,447	18
<b>Total central services</b>	<b>415,830</b>	<b>2,364</b>	<b>418,194</b>	<b>412,037</b>	<b>6,157</b>
<b>Administrative Inform. Technology:</b>					
Salaries	9,300	(85)	9,215	8,805	410
<b>Total administrative inform. technology</b>	<b>9,300</b>	<b>(85)</b>	<b>9,215</b>	<b>8,805</b>	<b>410</b>
<b>Required Maintenance School Facilities:</b>					
Salaries	617,698	2,700	620,398	620,314	84
Cleaning, repair, and maintenance services	167,450	(400)	167,050	108,047	59,003
General supplies	229,100	(5,661)	223,439	223,233	206
Other objects	2,800	-	2,800	2,124	676
<b>Total required maintenance school facilities</b>	<b>1,017,048</b>	<b>(3,361)</b>	<b>1,013,687</b>	<b>953,718</b>	<b>59,969</b>
<b>Custodial Services:</b>					
Salaries	1,173,572	9,733	1,183,305	1,181,244	2,061
Purchased professional and tech. services	18,900	-	18,900	16,200	2,700
Cleaning, repair, and maintenance services	74,150	(20,998)	53,152	46,781	6,371
Other purchased property services	79,000	-	79,000	76,079	2,921
Insurance	104,750	12,349	117,099	117,096	3
Miscellaneous purchased services	-	-	-	-	-
General supplies	118,800	3,500	122,300	119,128	3,172
Energy (Natural Gas)	103,000	6,351	109,351	109,351	-
Energy (Electricity)	464,800	(20,423)	444,377	439,470	4,907
Other objects	13,000	-	13,000	11,675	1,325
<b>Total custodial services</b>	<b>2,149,972</b>	<b>(9,488)</b>	<b>2,140,484</b>	<b>2,117,024</b>	<b>23,460</b>

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

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**COLLINGSWOOD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Care and Upkeep of Grounds					
Other objects	\$ 3,000	\$ -	\$ 3,000	\$ 645	\$ 2,355
Total care and upkeep of grounds	3,000	-	3,000	645	2,355
Security:					
Salaries	136,000	3,365	139,365	139,365	-
Purchased professional and tech. services	-	-	-	-	-
Total security	136,000	3,365	139,365	139,365	-
Total operation & maint. of plant services	3,306,020	(9,484)	3,296,536	3,210,752	85,784
Student Transportation Services:					
Salaries pupil trans. Other than bet home/school	1,700	-	1,700	533	1,167
Management fee - ESC trans. program	18,300	700	19,000	18,999	1
Contr serv - Aid in Lieu Payments - Charter School	10,604	4,000	14,604	13,500	1,104
Contr serv (bet. home and school) - Vendors	27,700	-	27,700	24,733	2,967
Contr. serv. (not bet. home & school) - Vendors	224,477	(10,475)	214,002	188,855	25,147
Contr. serv. (special ed. students.) - ESC	360,000	(15,000)	345,000	334,375	10,625
Misc. purchased services - transportation	500	-	500	-	500
Total student transportation services	643,281	(20,775)	622,506	580,995	41,511
Unallocated Benefits - Employee Benefits:					
Social security contributions	384,478	18,786	403,264	402,367	897
Other retirement contributions - PERS	439,922	-	439,922	416,974	22,948
Workmen's Compensation	166,000	-	166,000	160,969	5,031
Health benefits	5,010,571	(321,809)	4,688,762	4,371,925	316,837
Tuition reimbursement	55,000	7,900	62,900	52,183	10,717
Other employee benefits	250,581	(31,820)	218,761	60,786	157,975
Unused sick payment to terminated/retired staff	-	-	-	-	-
Total unallocated benefits - employee benefits	6,306,552	(326,943)	5,979,609	5,465,204	514,405
On-behalf TPAF pension contr. (non-budgeted)	-	-	-	2,277,612	(2,277,612)
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	1,471,061	(1,471,061)
On-behalf TPAF - LTDI (non-budgeted)	-	-	-	4,149	(4,149)
Reimbursed TPAF social security contr. (non-budgeted)	-	-	-	1,162,765	(1,162,765)
Total Undistributed Expenditures	17,310,024	(373,869)	16,936,155	20,858,796	(3,922,641)
Total General Current Expense	32,745,464	(368,344)	32,377,120	35,943,333	(3,566,213)
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Grades 6-8	-	40,251	40,251	-	40,251
School sponsored and other instr. program	12,000	-	12,000	12,000	-
Required maintenance for school facilities	60,300	48,202	108,502	98,499	10,003
Non-instructional services	30,606	5,672	36,278	36,278	-
Total Equipment	102,906	94,125	197,031	146,777	50,254
Facilities Acquisition and Constr. Services					
Construction services	236,500	(14,365)	222,135	222,135	-
Assessment for Debt Service on SDA Funding	197,346	-	197,346	197,346	-
Total Facilities Acquisition and Constr. Serv.	433,846	(14,365)	419,481	419,481	-
Total Capital Outlay	536,752	79,760	616,512	566,258	50,254

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

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**COLLINGSWOOD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2018**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>SPECIAL SCHOOLS - SUMMER:</b>					
Instruction:					
Salaries of teachers	\$ 10,900	\$ -	\$ 10,900	\$ 8,588	\$ 2,312
General supplies	3,700	-	3,700	3,397	303
Total summer school - instruction	14,600	-	14,600	11,985	2,615
Total Special Schools	14,600	-	14,600	11,985	2,615
Transfer to Charter School	121,107	165,208	286,315	279,839	6,476
<b>TOTAL EXPENDITURES</b>	<b>33,417,923</b>	<b>(123,376)</b>	<b>33,294,547</b>	<b>36,801,415</b>	<b>(3,506,868)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(2,076,190)	-	(2,076,190)	20,600	2,096,790
Other Financing Sources:					
Total other financing sources	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(2,076,190)	-	(2,076,190)	20,600	2,096,790
Fund Balance - July 1, 2017	6,131,797		6,131,797	6,131,797	
Fund Balance - June 30, 2018	<u>\$ 4,055,607</u>	<u>\$ -</u>	<u>\$ 4,055,607</u>	<u>\$ 6,152,397</u>	<u>\$ 2,096,790</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Capital reserve				\$ 1,141,094	
Maintenance reserve				250,000	
Excess surplus				2,029,604	
Excess surplus - designated for subsequent year's expenditures				2,016,939	
Assigned Fund Balance:					
Year-end encumbrances				57,784	
Unassigned Fund Balance				656,976	
				<u>6,152,397</u>	
Last State Aid Payment not Recognized on a GAAP Basis				(980,397)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 5,172,000</u>	

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



**COLLINGSWOOD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local sources	\$ 12,000	\$ -	\$ 12,000	\$ 11,622	\$ (378)
State sources	164,512	-	164,512	115,285	(49,227)
Federal sources	1,152,384	-	1,152,384	996,363	(156,021)
<b>Total Revenues</b>	<b>1,328,896</b>	<b>-</b>	<b>1,328,896</b>	<b>1,123,270</b>	<b>(205,626)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries	380,862	-	380,862	319,418	61,444
Purchased prof. - tech. serv.	210,955	-	210,955	162,355	48,600
Other purchased services	206,000	-	206,000	163,479	42,521
Textbooks	10,327	-	10,327	8,351	1,976
General supplies	204,368	-	204,368	162,318	42,050
Other Objects	-	-	-	-	-
<b>Total instruction</b>	<b>1,012,512</b>	<b>-</b>	<b>1,012,512</b>	<b>815,921</b>	<b>196,591</b>
Support services:					
Salaries of supervisor of instruction	119,318	-	119,318	119,318	-
Salaries	83,350	-	83,350	83,225	125
Personal services - employee benefits	85,246	-	85,246	85,246	-
Purchased professional - tech. services	-	-	-	-	-
Purchased professional - educ. services	3,000	-	3,000	498	2,502
Other purchased services	23,089	-	23,089	18,019	5,070
Travel	-	-	-	-	-
Supplies and materials	1,581	-	1,581	1,043	538
Other objects	800	-	800	800	800
<b>Total support services</b>	<b>316,384</b>	<b>-</b>	<b>316,384</b>	<b>307,349</b>	<b>9,035</b>
Facilities acquisition and construction services:					
Instructional equipment	-	-	-	-	-
Noninstructional equipment	-	-	-	-	-
<b>Total facilities acq. and const. services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>1,328,896</b>	<b>-</b>	<b>1,328,896</b>	<b>1,123,270</b>	<b>205,626</b>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COLLINGSWOOD SCHOOL DISTRICT**  
**Notes to Required Supplementary Information**  
**Budgetary Comparison**  
**For the Fiscal Year Ended June 30, 2018**

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 36,822,015	\$ 1,123,270
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	985,922	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(980,397)	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 36,827,540	\$ 1,123,270
 <b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 36,801,415	\$ 1,123,270
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered in the prior year but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	-	-
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	-	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 36,801,415	\$ 1,123,270

**Required Supplementary Information - Part III**  
**Schedules Related to Accounting and Reporting**  
**For Pensions and**  
**Other Post Employment Benefits**

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

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0467357705%	0.0477887017%	0.0484542968%	0.0504615815%	0.0464957527%
District's proportionate share of the net pension liability (asset)	\$ 10,879,340	\$ 14,153,643	\$ 10,877,019	\$ 9,447,788	\$ 8,886,262
District's covered-employee payroll	3,362,202	3,340,022	3,195,602	3,328,339	3,312,110
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	323.58%	423.76%	340.37%	283.86%	268.30%
Plan fiduciary net position as a percentage of the total pension liability	36.78%	31.20%	38.21%	42.74%	40.71%

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

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

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 468,248	\$ 439,832	\$ 424,548	\$ 416,577	\$ 415,998
Contributions in relation to the contractually required contributions	<u>(468,248)</u>	<u>(439,832)</u>	<u>(424,548)</u>	<u>(416,577)</u>	<u>(415,998)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	3,362,202	3,340,022	3,195,602	3,328,339	3,312,110
Contributions as a percentage of covered-employee payroll	13.93%	13.17%	13.29%	12.52%	12.56%

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

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

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2015
District's proportion of the net pension liability (asset)	0.1490516325%	0.1469451357%	0.1427243362%	0.1420654688%	0.1404208352%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>100,495,985</u>	<u>115,596,400</u>	<u>90,207,875</u>	<u>75,929,369</u>	<u>70,967,586</u>
Total	<u>\$ 100,495,985</u>	<u>\$ 115,596,400</u>	<u>\$ 90,207,875</u>	<u>\$ 75,929,369</u>	<u>\$ 70,967,586</u>
District's covered-employee payroll	\$ 16,284,322	\$ 15,587,259	\$ 15,475,631	\$ 15,143,415	\$ 15,069,574
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	25.41%	22.33%	28.71%	33.64%	33.76%

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

**COLLINGSWOOD SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District**  
**and Changes in the Total OPEB Liability and Related Ratios**  
**Public Employee's Retirement System and Teachers' Pension and Annuity Fund**  
**Current Fiscal Year**

	<u>June 30,</u> <u>2018</u>
State's proportion of the net OPEB liability (asset) associated with the District	0.16%
District's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 84,698,989
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 84,698,989</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%
	<u>June 30,</u> <u>2018</u>
<b>Total OPEB Liability</b>	
Service Cost	\$ 3,458,716
Interest	2,685,540
Changes of assumptions and other inputs	(11,264,599)
Member Contributions	72,239
Benefit payments	<u>(1,961,808)</u>
<b>Net Change in total OPEB Liability</b>	<b>\$ (7,009,912)</b>
<b>Total OPEB Liability - beginning</b>	<b>\$ 91,708,901</b>
<b>Total OPEB Liability - ending</b>	<b><u>\$ 84,698,989</u></b>
District's covered-employee payroll	19,646,524
Total OPEB Liability as a percentage of covered-employee payroll	431.11%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

**Collingswood School District**  
**Notes to Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2018**

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

*Changes of benefit term:* 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:* Pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60-year average of Social Security data from 1953 to 2013.

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

*Changes of benefit term:* 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:* Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active employees. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disables Mortality Table (set back 3 years for males and set forward 1 year for females).

**3. Other Post-Retirement Plan – Public Employees' Retirement System and Teachers' Pension and Annuity Fund**

*Changes of benefit term:* There were none.

*Changes of assumptions:* The discount rate changed from 2.85% as of June 30, 2016 to 3.85% as of June 30, 2017.



Other Supplementary Information

Special Revenue Fund

**COLLINGSWOOD SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Revenues and Expenditures**  
**Budgetary Basis**  
**For the Fiscal Year Ended June 30, 2018**

E-1

	Sustainable NJ PSE&G	NEA Grant Textbooks	Total Other Prog. (See E-1A)	Total Other Prog. (See E-1B)	Total
<b>REVENUES:</b>					
Local sources	\$ 10,000	\$ 1,622	\$ -	\$ -	\$ 11,622
State sources			115,285	-	115,285
Federal sources				996,363	996,363
<b>Total Revenues</b>	<b>10,000</b>	<b>1,622</b>	<b>115,285</b>	<b>996,363</b>	<b>1,123,270</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers				319,418	319,418
Purchased prof. and tech. serv.			77,575	84,780	162,355
Other purchased services				163,479	163,479
Textbooks		1,622	6,729		8,351
General supplies	10,000		16,384	135,934	162,318
Other Objects					
<b>Total instruction</b>	<b>10,000</b>	<b>1,622</b>	<b>100,688</b>	<b>703,611</b>	<b>815,921</b>
Support services:					
Salaries - supervisor of instruction				119,318	119,318
Salaries				83,225	83,225
Personal services-employee benefits				85,246	85,246
Purchased prof. - tech. services					
Purchased prof. - educ. services				498	498
Other purchased services			14,597	3,422	18,019
Travel					
Supplies				1,043	1,043
<b>Total support services</b>			<b>14,597</b>	<b>292,752</b>	<b>307,349</b>
Facilities acquisition and const. serv.:					
Instructional equipment					
<b>Total facilities acq. and const. serv.</b>					
<b>Total Expenditures</b>	<b>10,000</b>	<b>1,622</b>	<b>115,285</b>	<b>996,363</b>	<b>1,123,270</b>
<b>Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COLLINGSWOOD SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Revenues and Expenditures**  
**Budgetary Basis**  
**For the Fiscal Year Ended June 30, 2018**

	<u>Nonpublic Comp. Ed.</u>	<u>Nonpublic Security</u>	<u>Nonpublic Exam &amp; Class.</u>	<u>Nonpublic Speech</u>	<u>Nonpublic Supplemental Instruction</u>	<u>Nonpublic Textbooks</u>	<u>Nonpublic Nursing</u>	<u>Nonpublic Technology</u>	<u>Total</u>
<b>REVENUES:</b>									
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	52,439	10,900	12,552	7,589	4,995	6,729	14,597	5,484	115,285
Federal sources									
<b>Total Revenues</b>	<b>52,439</b>	<b>10,900</b>	<b>12,552</b>	<b>7,589</b>	<b>4,995</b>	<b>6,729</b>	<b>14,597</b>	<b>5,484</b>	<b>115,285</b>
<b>EXPENDITURES:</b>									
Instruction:									
Purchased prof. and tech. serv.	52,439		12,552	7,589	4,995				77,575
Textbooks						6,729			6,729
General supplies		10,900						5,484	16,384
<b>Total instruction</b>	<b>52,439</b>	<b>10,900</b>	<b>12,552</b>	<b>7,589</b>	<b>4,995</b>	<b>6,729</b>		<b>5,484</b>	<b>100,688</b>
Support services:									
Purchased prof. - tech. services									
Other purchased services							14,597		14,597
<b>Total support services</b>							<b>14,597</b>		<b>14,597</b>
Facilities acquisition and const. serv.:									
Instructional equipment									
<b>Total facilities acq. and const. serv.</b>									
<b>Total Expenditures</b>	<b>52,439</b>	<b>10,900</b>	<b>12,552</b>	<b>7,589</b>	<b>4,995</b>	<b>6,729</b>	<b>14,597</b>	<b>5,484</b>	<b>115,285</b>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**COLLINGSWOOD SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Revenues and Expenditures**  
**Budgetary Basis**  
**For the Fiscal Year Ended June 30, 2018**

	Title I	Title IIA	Title III	Title III Immigrant	Title IV	IDEA Basic	IDEA Preschool	Temporary Emergency Impact Aid for Displaced Students	Total
<b>REVENUES:</b>									
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources									
Federal sources	415,432	19,597	13,663	1,921	7,258	504,303	11,689	22,500	996,363
<b>Total Revenues</b>	<b>415,432</b>	<b>19,597</b>	<b>13,663</b>	<b>1,921</b>	<b>7,258</b>	<b>504,303</b>	<b>11,689</b>	<b>22,500</b>	<b>996,363</b>
<b>EXPENDITURES:</b>									
Instruction:									
Salaries of teachers	213,925	3,508		1,921		88,375	11,689		319,418
Purchased prof. - tech. services						84,780			84,780
Other purchased services						163,479			163,479
General supplies	5,775		11,665		7,258	89,779		21,457	135,934
Other Object									
<b>Total instruction</b>	<b>219,700</b>	<b>3,508</b>	<b>11,665</b>	<b>1,921</b>	<b>7,258</b>	<b>426,413</b>	<b>11,689</b>	<b>21,457</b>	<b>703,611</b>
Support services:									
Salaries - supervisor of instruction	119,318								119,318
Salaries		14,125	1,500			67,600			83,225
Personal services-employee benefits	74,956					10,290			85,246
Purchased prof. - tech. services									
Purchased prof. - educ. services			498						498
Other purchased services	1,458	1,964							3,422
Travel									
Supplies								1,043	1,043
<b>Total support services</b>	<b>195,732</b>	<b>16,089</b>	<b>1,998</b>			<b>77,890</b>		<b>1,043</b>	<b>292,752</b>
Facilities acquisition and const. serv.:									
Instructional equipment									
<b>Total facilities acq. and const. serv.</b>									
<b>Total Expenditures</b>	<b>415,432</b>	<b>19,597</b>	<b>13,663</b>	<b>1,921</b>	<b>7,258</b>	<b>504,303</b>	<b>11,689</b>	<b>22,500</b>	<b>996,363</b>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Capital Projects Fund

Proprietary Funds

**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2018**

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Flip Tech	Maintenance Services
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 130,274	\$ 6,256	\$ 1,338	\$ 286,928
Intergovernmental receivables:				
State Aid	335			
Federal Aid	22,955			
Interfund		8,280		
Other				8,310
Inventories	14,326			
Total current assets	<u>167,890</u>	<u>14,536</u>	<u>1,338</u>	<u>295,238</u>
Noncurrent Assets:				
Equipment	275,456			
Less - accumulated depreciation	<u>(177,040)</u>			
Total Noncurrent Assets	<u>98,416</u>			
Total Assets	<u>266,306</u>	<u>14,536</u>	<u>1,338</u>	<u>295,238</u>
<b>LIABILITIES:</b>				
Current liabilities:				
Interfund payable				293,693
Accounts payable			1,338	1,545
Unearned revenue	5,292	8,280		
Total Liabilities	<u>5,292</u>	<u>8,280</u>	<u>1,338</u>	<u>295,238</u>
<b>NET POSITION:</b>				
Net investment in capital assets	98,416			
Reserve for encumbrances				
Unrestricted	162,598	6,256		
Total Net Position	<u>\$ 261,014</u>	<u>\$ 6,256</u>	<u>\$ -</u>	<u>\$ -</u>



**COLLINGSWOOD SCHOOL DISTRICT**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2018**

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Flip Tech	Maintenance Services
<b>Operating Revenues:</b>				
Charges for services:				
Daily sales - reimbursable programs	\$ 101,342	\$ -	\$ -	\$ -
Daily sales - non-reimbursable programs	110,392			
Maintenance fees from other LEA's				1,070,700
Miscellaneous		18,124	5,441	
Special functions	3,603			
Total Operating Revenues	<u>215,337</u>	<u>18,124</u>	<u>5,441</u>	<u>1,070,700</u>
<b>Operating Expenses:</b>				
Cost of sales-Reimbursable	237,986			
Cost of sales-Nonreimbursable	35,661			
Salaries	255,225	10,700		
Supplies	32,148	3,204	5,121	
Purchased Services	33,902	3,590	320	
Other costs	25,973			1,070,700
Depreciation	17,448			
Total Operating Expenses	<u>638,343</u>	<u>17,494</u>	<u>5,441</u>	<u>1,070,700</u>
Operating Income (Loss)	<u>(423,006)</u>	<u>630</u>		
<b>Nonoperating Revenues (Expenses):</b>				
State sources:				
State school lunch program	6,201			
Federal sources:				
National school lunch program	273,719			
National school breakfast program	103,713			
Food distribution program	46,233			
Interest on investments	300			
Transfers				
Contributing Capital				
Total Nonoperating Revenues	<u>430,166</u>			
Change in Net Position	7,160	630		
Net Position - July 1, 2017	<u>253,854</u>	<u>5,626</u>		
Net Position - June 30, 2018	<u>\$ 261,014</u>	<u>\$ 6,256</u>	<u>\$ -</u>	<u>\$ -</u>

COLLINGSWOOD SCHOOL DISTRICT  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2018

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Food Service	Summer Theater	Flip Tech	Maintenance Services
<b>Cash Flows from Operating Activities:</b>				
Cash receipts from customers	\$ 215,509	\$ 9,964	\$ 5,441	\$ 1,149,570
Cash receipts from vendor				
Cash payments to employees for services	(255,225)	(10,700)		(1,235,985)
Cash payments to suppliers for goods and services	(316,948)	(6,794)	(4,103)	
Net cash used by operating activities	(356,664)	(7,530)	1,338	(86,415)
<b>Cash Flows from Noncapital Financing Activities:</b>				
Cash received from state sources	6,082			
Cash received from federal sources	370,291			
Operating transfer in/out				
Net cash provided by noncapital financing activities	376,373			
<b>Cash Flows Used by Capital and Related Financing Activities:</b>				
Purchase of equipment				
<b>Cash Flow Provided by Investing Activities:</b>				
Interest on cash equivalents	300			
Net increase (decrease) in cash and cash equivalents	20,009	(7,530)	1,338	(86,415)
Cash and cash equivalents - July 1, 2017	110,265	13,786		373,343
Cash and cash equivalents - June 30, 2018	\$ 130,274	\$ 6,256	\$ 1,338	\$ 286,928
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	\$ (423,006)	\$ 630	\$ -	\$ -
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:				
Depreciation	17,448			
Commodities	46,233			
Change in assets and liabilities:				
(Increase) decrease in accounts receivable				1,632
(Increase) decrease in inventory	2,488			
(Increase) decrease in interfund receivable		(8,280)		1
Increase (decrease) in interfund payable				
Increase (decrease) in unearned revenue	173	120		(86,030)
Increase (decrease) in accounts payable			1,338	(2,018)
Net cash provided by (used for) operating activities	\$ (356,664)	\$ (7,530)	\$ 1,338	\$ (86,415)

Fiduciary Funds

**COLLINGSWOOD SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2018**

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	<u>Trust Funds</u>			<u>Agency Funds</u>		<u>Totals</u>
	<u>Unemployment Compensation Insurance Trust</u>	<u>Flexible Benefits Trust</u>	<u>Scholarship Trust</u>	<u>Student Activity</u>	<u>Payroll</u>	
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 807,627	\$ 12,684	\$ 186,200	\$ 205,480	\$ 171,934	\$ 1,383,925
Total Assets	<u>807,627</u>	<u>12,684</u>	<u>186,200</u>	<u>\$ 205,480</u>	<u>\$ 171,934</u>	<u>1,383,925</u>
<b>LIABILITIES:</b>						
Payroll deductions and withholdings	5,921				171,522	177,443
Interfund payable					412	412
Due to student groups				205,480		205,480
Total Liabilities	<u>5,921</u>			<u>\$ 205,480</u>	<u>\$ 171,934</u>	<u>383,335</u>
<b>NET POSITION:</b>						
Held in trust for payment of claims						
Held in trust for scholarships	<u>801,706</u>	<u>12,684</u>	<u>186,200</u>			<u>1,000,590</u>
Total Net Position	<u>\$ 801,706</u>	<u>\$ 12,684</u>	<u>\$ 186,200</u>			<u>\$ 1,000,590</u>

**COLLINGSWOOD SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For the Fiscal Year Ended June 30, 2018**

	<u>Flexible Benefits Trust Fund</u>	<u>Scholarship Trust Fund</u>	<u>Unemployment Compensation Insurance Trust Fund</u>	<u>Totals</u>
<b>ADDITIONS:</b>				
Interest on investments	\$ 80	\$ -	\$ 7,791	\$ 7,871
Contributions	<u>24,102</u>	<u>34,497</u>	<u>35,295</u>	<u>93,894</u>
Total Additions	<u>24,182</u>	<u>34,497</u>	<u>43,086</u>	<u>101,765</u>
<b>DEDUCTIONS:</b>				
Claims paid	20,943		19,106	40,049
Scholarships paid		<u>36,759</u>		<u>36,759</u>
Total Deductions	<u>20,943</u>	<u>36,759</u>	<u>19,106</u>	<u>76,808</u>
Change in Net Position	3,239	(2,262)	23,980	24,957
Net Position -- July 1, 2017	<u>9,445</u>	<u>188,462</u>	<u>777,726</u>	<u>975,633</u>
Net Position -- June 30, 2018	<u>\$ 12,684</u>	<u>\$ 186,200</u>	<u>\$ 801,706</u>	<u>\$ 1,000,590</u>

**COLLINGSWOOD SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Student Activity Agency Fund Schedule of Receipts and Disbursements**  
**For the Fiscal Year Ended June 30, 2018**

	<u>Balance</u> <u>June 30, 2017</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2018</u>
Elementary Schools	\$ 32,788	\$ 46,238	\$ 32,738	\$ -	\$ 46,288
Middle School	15,140	78,301	73,973		19,468
High School	117,063	241,364	247,592		110,835
Athletics	17,703	108,717	98,732		27,688
District	807	21,958	21,564		1,201
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total all schools	<u>\$ 183,501</u>	<u>\$ 496,578</u>	<u>\$ 474,599</u>	<u>\$ -</u>	<u>\$ 205,480</u>

**COLLINGSWOOD SCHOOL DISTRICT**  
**Fiduciary Funds**  
**Payroll Agency Fund Schedule of Receipts and Disbursements**  
**For the Fiscal Year Ended June 30, 2018**

	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 167,006	\$ 23,399,543	\$ 23,394,615	\$ 171,934
Total Assets	<u>\$ 167,006</u>	<u>\$ 23,399,543</u>	<u>\$ 23,394,615</u>	<u>\$ 171,934</u>
<b>LIABILITIES:</b>				
Net payroll	\$ -	\$ 12,632,428	\$ 12,632,428	\$ -
Interfund payable		1,097	685	412
Payroll deductions and withholdings	<u>167,006</u>	<u>10,766,018</u>	<u>10,761,502</u>	<u>171,522</u>
Total Liabilities	<u>\$ 167,006</u>	<u>\$ 23,399,543</u>	<u>\$ 23,394,615</u>	<u>\$ 171,934</u>

**Long-Term Debt Schedules**



**COLLINGSWOOD SCHOOL DISTRICT  
Statement of Serial Bonds  
For the Fiscal Year Ended June 30, 2018**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance June 30, 2017	Issued	Retired	Balance June 30, 2018
			Date	Amount					
Refunding School Bonds	12/01/12	14,775,000	6/1/2019	\$ 840,000	4.000%	\$ 13,115,000	\$ -	\$ 820,000	\$ 12,295,000
			6/1/2020	860,000	4.000%				
			6/1/2021	910,000	4.000%				
			6/1/2022	910,000	4.000%				
			6/1/2023	955,000	4.000%				
			6/1/2024	1,010,000	5.000%				
			6/1/2025	1,070,000	5.000%				
			6/1/2026	1,120,000	4.000%				
			6/1/2027	1,135,000	2.500%				
			6/1/2028	1,140,000	2.500%				
			6/1/2029	1,170,000	2.750%				
			6/1/2030	1,175,000	2.750%				
						<u>\$ 13,115,000</u>	<u>\$ -</u>	<u>\$ 820,000</u>	<u>\$ 12,295,000</u>

**COLLINGSWOOD SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 For the Fiscal Year Ended June 30, 2018**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 1,293,763	\$ -	\$ 1,293,763	\$ 1,293,763	\$ -
Total Revenues	<u>1,293,763</u>	<u>-</u>	<u>1,293,763</u>	<u>1,293,763</u>	<u>-</u>
<b>EXPENDITURES:</b>					
Regular debt service:					
Redemption of principal	820,000		820,000	820,000	
Interest	<u>473,763</u>		<u>473,763</u>	<u>473,763</u>	
Total regular debt service	<u>1,293,763</u>	<u>-</u>	<u>1,293,763</u>	<u>1,293,763</u>	<u>-</u>
Excess (Deficiency) of revenues over (under) expenditures	-		-	-	
Other Financing Sources:					
Operating transfers in	<u>-</u>			<u>-</u>	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	-	-	-	-	-
Fund Balance - July 1, 2017	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - June 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Statistical Section**

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

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	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 20,869,898	\$ 20,448,749	\$ 20,075,116	\$ 19,552,212	\$ 19,498,672	\$ 18,776,461	\$ (5,499,663)	\$ (4,866,594)	\$ (4,069,608)	\$ (3,470,975)
Restricted for:										
Capital projects	666,895	580,221	345,784	448,784	951,244	704,304	813,471	815,505	1,137,539	1,141,094
Debt service				91,722	38,120	19,755	1	-	-	-
Other purposes	2,121,241	3,142,781	4,841,916	6,232,436	5,715,090	5,761,323	4,780,464	4,374,319	4,345,163	4,354,327
Unrestricted	(912,611)	(1,108,657)	(834,943)	(922,763)	(841,687)	(650,882)	(9,507,297)	(9,581,189)	(10,825,870)	(11,271,495)
<b>Total governmental activities net position</b>	<b>\$ 22,745,423</b>	<b>\$ 23,063,094</b>	<b>\$ 24,427,873</b>	<b>\$ 25,402,391</b>	<b>\$ 25,361,439</b>	<b>\$ 24,610,961</b>	<b>\$ (9,413,024)</b>	<b>\$ (9,257,959)</b>	<b>\$ (9,412,776)</b>	<b>\$ (9,247,049)</b>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 8,287	\$ 22,259	\$ 33,136	\$ 39,497	\$ 70,184	\$ 50,241	\$ 150,758	\$ 133,309	\$ 115,864	\$ 98,416
Unrestricted	235,878	218,361	204,576	171,649	143,325	147,058	127,500	129,180	143,616	168,854
<b>Total business-type activities net position</b>	<b>\$ 244,165</b>	<b>\$ 240,620</b>	<b>\$ 237,712</b>	<b>\$ 211,146</b>	<b>\$ 213,509</b>	<b>\$ 197,299</b>	<b>\$ 278,258</b>	<b>\$ 262,489</b>	<b>\$ 259,480</b>	<b>\$ 267,270</b>
<b>District-wide:</b>										
Net investment in capital assets	\$ 20,878,185	\$ 20,471,008	\$ 20,108,252	\$ 19,591,709	\$ 19,568,856	\$ 18,826,702	\$ (5,348,905)	\$ (4,733,285)	\$ (3,953,744)	\$ (3,372,559)
Restricted:										
Capital projects	666,895	580,221	345,784	448,784	951,244	704,304	813,471	815,505	1,137,539	1,141,094
Debt service				91,722	38,120	19,755	1	-	-	-
Other purposes	2,121,241	3,142,781	4,841,916	6,232,436	5,715,090	5,761,323	4,780,464	4,374,319	4,345,163	4,354,327
Unrestricted	(676,733)	(890,296)	(630,367)	(751,114)	(698,362)	(503,824)	(9,379,797)	(9,452,009)	(10,682,254)	(11,102,641)
<b>Total district net position</b>	<b>\$ 22,989,588</b>	<b>\$ 23,303,714</b>	<b>\$ 24,665,585</b>	<b>\$ 25,613,537</b>	<b>\$ 25,574,948</b>	<b>\$ 24,808,260</b>	<b>\$ (9,134,766)</b>	<b>\$ (8,995,470)</b>	<b>\$ (9,153,296)</b>	<b>\$ (8,979,779)</b>

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

J-2

Fiscal Year Ending June 30,

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses:</b>										
Governmental activities:										
Instruction:										
Regular	\$ 10,908,208	\$ 10,463,791	\$ 9,845,258	\$ 9,965,762	\$ 9,948,024	\$ 10,254,244	\$ 10,881,367	\$ 10,634,149	\$ 10,994,034	\$ 11,398,501
Special education	1,822,945	3,161,493	3,099,125	2,855,516	3,189,373	3,194,621	3,022,304	2,858,171	3,122,725	3,163,977
Other instruction	1,534,930	1,554,733	1,451,420	1,554,714	1,609,605	1,593,306	1,582,734	1,623,513	1,672,049	1,794,178
Support Services:										
Tuition	1,122,463	730,061	770,843	848,489	772,694	809,230	445,406	637,640	567,089	505,079
Student & instruction related services	3,209,559	3,478,532	3,038,583	3,145,003	3,413,607	3,414,395	3,648,677	3,732,662	3,815,419	3,994,223
School administrative services	1,387,473	1,308,976	1,321,990	1,355,675	1,364,083	1,295,442	1,250,810	1,281,363	1,299,769	1,328,596
General and business administrative services	1,090,433	973,339	1,058,461	1,037,843	995,355	1,103,148	1,033,253	1,059,720	1,195,804	1,131,709
Plant operations and maintenance	3,728,691	3,463,615	3,339,933	3,930,014	3,947,059	4,427,653	4,250,723	3,311,375	3,301,091	3,553,923
Pupil transportation	552,536	481,810	419,354	390,946	441,979	469,426	536,512	494,675	500,288	580,995
Business and other support services										
Unallocated employee benefits	6,770,342	6,670,967	6,950,050	7,402,029	8,323,551	8,104,380	9,002,475	9,782,831	10,997,946	23,466,471
Special schools	14,096	16,706	99,034	91,372	138,264	109,557	137,896	165,542	139,616	291,824
Interest on long-term debt	1,221,043	773,619	752,650	727,815	627,883	576,497	560,100	531,089	495,075	471,713
Unallocated depreciation	34,783	55,224	35,510	35,668	34,393	41,232	34,232	31,207	40,707	39,320
Total governmental activities expenses	<u>33,397,502</u>	<u>33,112,866</u>	<u>32,182,211</u>	<u>33,340,846</u>	<u>34,805,670</u>	<u>35,193,131</u>	<u>36,386,489</u>	<u>36,143,937</u>	<u>38,141,612</u>	<u>51,720,509</u>
Business-type activities:										
Food service	644,521	655,988	626,858	691,309	722,874	665,433	622,785	640,725	619,220	638,343
Flip Tech										5,441
Summer Theater								35,574	29,498	17,494
Total business-type activities expense	<u>644,521</u>	<u>655,988</u>	<u>626,858</u>	<u>691,309</u>	<u>722,874</u>	<u>665,433</u>	<u>622,785</u>	<u>676,299</u>	<u>648,718</u>	<u>661,278</u>
Total district expenses	<u>\$ 34,042,023</u>	<u>\$ 33,768,854</u>	<u>\$ 32,809,069</u>	<u>\$ 34,032,155</u>	<u>\$ 35,528,544</u>	<u>\$ 35,858,564</u>	<u>\$ 37,009,274</u>	<u>\$ 36,820,236</u>	<u>\$ 38,790,330</u>	<u>\$ 52,381,787</u>
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services	\$ 3,607,825	\$ 4,648,623	\$ 4,924,948	\$ 5,228,802	\$ 4,742,946	\$ 4,413,861	\$ 4,883,512	\$ 4,627,337	\$ 4,695,280	\$ 5,031,214
Operating grants and contributions	2,989,270	3,351,672	3,173,864	3,246,828	4,180,541	3,683,273	4,219,019	4,726,532	5,458,640	18,660,520
Capital grants and contributions										
Total governmental activities program revenues	<u>6,597,095</u>	<u>8,000,295</u>	<u>8,098,812</u>	<u>8,475,630</u>	<u>8,923,487</u>	<u>8,097,134</u>	<u>9,102,531</u>	<u>9,353,869</u>	<u>10,153,920</u>	<u>23,711,734</u>

(Continued)

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

J-2

Fiscal Year Ending June 30,

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Business-type activities:</b>										
Charges for services	\$ 345,625	\$ 317,749	\$ 304,260	\$ 299,210	\$ 307,430	\$ 233,058	\$ 191,449	\$ 249,835	\$ 237,700	\$ 238,902
Operating grants and contributions	271,892	330,752	319,109	347,813	359,117	362,920	371,489	410,561	407,836	429,866
Capital grants and contributions										
<b>Total business-type activities program revenues</b>	<b>617,517</b>	<b>648,501</b>	<b>623,369</b>	<b>647,023</b>	<b>666,547</b>	<b>595,978</b>	<b>562,938</b>	<b>660,396</b>	<b>645,536</b>	<b>668,768</b>
<b>Total district program revenues</b>	<b>\$ 7,214,612</b>	<b>\$ 8,648,796</b>	<b>\$ 8,722,181</b>	<b>\$ 9,122,653</b>	<b>\$ 9,590,034</b>	<b>\$ 8,693,112</b>	<b>\$ 9,665,469</b>	<b>\$ 10,014,265</b>	<b>\$ 10,799,456</b>	<b>\$ 24,380,502</b>
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (26,800,407)	\$ (25,112,571)	\$ (24,083,399)	\$ (24,865,216)	\$ (25,882,183)	\$ (27,095,997)	\$ (27,283,958)	\$ (26,790,068)	\$ (27,987,692)	\$ (28,008,775)
Business-type activities	(27,004)	(7,487)	(3,489)	(44,286)	(56,327)	(69,455)	(59,847)	(15,903)	(3,182)	7,490
<b>Total district-wide net expense</b>	<b>\$ (26,827,411)</b>	<b>\$ (25,120,058)</b>	<b>\$ (24,086,888)</b>	<b>\$ (24,909,502)</b>	<b>\$ (25,938,510)</b>	<b>\$ (27,165,452)</b>	<b>\$ (27,343,805)</b>	<b>\$ (26,805,971)</b>	<b>\$ (27,990,874)</b>	<b>\$ (28,001,285)</b>
<b>General Revenues and Other Changes in Net Assets:</b>										
<b>Governmental activities:</b>										
Property taxes levied for general purposes, net	\$ 12,999,915	\$ 13,519,912	\$ 13,865,535	\$ 13,934,863	\$ 13,854,194	\$ 13,854,194	\$ 14,131,278	\$ 14,610,216	\$ 15,268,576	\$ 15,743,934
Taxes levied for debt service	760,000	1,275,338	1,354,713	1,354,962	1,280,826	1,295,597	1,264,634	1,279,812	1,272,013	1,293,763
Unrestricted grants and contributions	10,424,813	10,304,858	9,807,569	10,365,425	10,211,300	10,748,202	10,529,933	10,605,731	10,688,453	10,540,727
State aid restricted for capital projects			105,000							
Investment earnings	195,039	44,230	19,268	3,000	2,460	2,060	1,761	2,034	2,034	3,555
Miscellaneous income	555,429	142,053	567,278	180,837	538,057	498,457	261,981	447,340	601,799	592,523
Loss on disposal of assets										
State aid canceled on completed projects			(323,433)	18,367	-	-	-	-	-	-
Transfers	(50,000)	143,851	8,172	(17,720)	(8,000)	(52,991)	(22,712)	-	-	-
<b>Total governmental activities</b>	<b>24,885,196</b>	<b>25,430,242</b>	<b>25,404,102</b>	<b>25,839,734</b>	<b>25,878,837</b>	<b>26,345,519</b>	<b>26,166,875</b>	<b>26,945,133</b>	<b>27,832,875</b>	<b>28,174,502</b>
<b>Business-type activities:</b>										
Investment earnings					60	254	133	134	173	300
Contributed capital					50,830	-	-	-	-	-
Transfers	50,000	3,942	(8,172)	17,720	8,000	52,991	22,712	-	-	-
<b>Total business-type activities</b>	<b>50,000</b>	<b>3,942</b>	<b>(8,172)</b>	<b>17,720</b>	<b>58,690</b>	<b>53,245</b>	<b>22,845</b>	<b>134</b>	<b>173</b>	<b>300</b>
<b>Total district-wide</b>	<b>\$ 24,935,196</b>	<b>\$ 25,434,184</b>	<b>\$ 25,395,930</b>	<b>\$ 25,857,454</b>	<b>\$ 25,937,527</b>	<b>\$ 26,398,764</b>	<b>\$ 26,189,720</b>	<b>\$ 26,945,267</b>	<b>\$ 27,833,048</b>	<b>\$ 28,174,802</b>
<b>Change in Net Position:</b>										
Governmental activities	\$ (1,915,211)	\$ 317,671	\$ 1,320,703	\$ 974,518	\$ (3,346)	\$ (750,478)	\$ (1,117,083)	\$ 155,065	\$ (154,817)	\$ 165,727
Business-type activities	22,996	(3,545)	(11,861)	(26,566)	2,363	(16,210)	(37,002)	(15,769)	(3,009)	7,790
<b>Total district-wide</b>	<b>\$ (1,892,215)</b>	<b>\$ 314,126</b>	<b>\$ 1,309,042</b>	<b>\$ 947,952</b>	<b>\$ (983)</b>	<b>\$ (766,688)</b>	<b>\$ (1,154,085)</b>	<b>\$ 139,296</b>	<b>\$ (157,826)</b>	<b>\$ 173,517</b>

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

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund:										
Restricted for										
Capital reserve	\$ 225,625	\$ 234,204	\$ 345,784	\$ 448,784	\$ 951,244	\$ 704,304	\$ 813,471	\$ 815,505	\$ 1,137,539	\$ 1,141,094
Excess surplus	650,322	1,348,469	2,234,598	2,313,050	2,402,196	2,376,577	2,017,432	2,012,729	2,016,939	2,029,604
Future tuition payments	210,000	430,000	850,000	850,000	430,000	-	-	-	-	-
Maintenance reserve					250,000	250,000	250,000	250,000	250,000	250,000
Assigned to:										
Year-end Encumbrances	416,341	248,025	90,882	472,335	197,842	90,088	78,818	40,483	65,495	57,784
Designated for subsequent year's budget	750,000	1,077,502	1,348,469	2,531,533	2,435,052	2,533,825	2,376,577	2,071,107	2,012,729	2,016,939
ARRA/SEMI - Designated for subsequent year's budget							27,712	-	-	-
Unassigned	(377,325)	(519,813)	(312,147)	(394,584)	(332,807)	(355,456)	(379,366)	(348,741)	(336,827)	(323,421)
Total general fund	<u>\$ 1,874,963</u>	<u>\$ 2,818,387</u>	<u>\$ 4,557,586</u>	<u>\$ 6,221,118</u>	<u>\$ 6,333,527</u>	<u>\$ 5,599,338</u>	<u>\$ 5,184,644</u>	<u>\$ 4,841,083</u>	<u>\$ 5,145,875</u>	<u>\$ 5,172,000</u>
All Other Governmental Funds										
Unreserved, reported in:										
Special revenue fund	\$ 29,915	\$ 26,680	\$ 62,106	\$ 65,518	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital projects fund	505,933	358,122	255,860			510,833	-	-	-	-
Debt service fund		58,084	73,358	91,722	38,120	19,755	1	-	-	-
Total all other governmental funds	<u>\$ 535,848</u>	<u>\$ 442,886</u>	<u>\$ 391,322</u>	<u>\$ 157,240</u>	<u>\$ 38,120</u>	<u>\$ 530,588</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
Tax levy	\$ 13,759,915	\$ 14,795,250	\$ 15,220,248	\$ 15,289,825	\$ 15,135,020	\$ 15,149,791	\$ 15,395,912	\$ 15,890,028	\$ 16,540,589	\$ 17,037,697
Tuition charges	3,607,825	4,648,623	4,924,948	4,736,771	4,289,216	4,413,861	4,883,512	4,627,337	4,695,280	5,031,214
Interest earnings	195,039	44,230	19,268	3,000	2,460	2,060	1,761	2,034	2,034	3,555
Miscellaneous	555,429	142,054	567,278	246,133	458,027	498,457	261,981	447,340	606,546	604,145
State sources	12,469,909	10,990,050	11,899,773	12,507,606	13,425,090	13,483,918	13,566,973	14,312,299	14,892,110	15,503,203
Federal sources	944,174	2,666,480	1,186,660	1,104,647	966,743	947,557	1,181,979	1,019,964	1,250,236	1,064,759
<b>Total revenue</b>	<b>31,532,291</b>	<b>33,286,687</b>	<b>33,818,175</b>	<b>33,887,982</b>	<b>34,276,556</b>	<b>34,495,644</b>	<b>35,292,118</b>	<b>36,299,002</b>	<b>37,986,795</b>	<b>39,244,573</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	10,038,027	9,218,002	9,024,146	9,156,935	9,100,374	9,343,192	10,267,722	10,412,950	10,740,970	10,942,303
Special education instruction	1,822,945	3,161,493	3,099,125	2,855,516	3,189,373	3,194,621	3,022,304	2,858,171	3,122,725	3,163,977
Other instruction	1,534,930	1,554,733	1,451,420	1,554,714	1,609,605	1,593,306	1,582,734	1,623,513	1,672,049	1,794,178
<b>Support Services:</b>										
Tuition	1,082,234	730,601	770,843	848,489	772,694	609,230	445,406	637,640	567,089	505,079
Student & instruction related services	3,209,559	3,478,532	3,038,583	3,145,003	3,413,607	3,414,395	3,648,677	3,732,662	3,815,419	3,995,266
School administrative services	1,387,473	1,308,976	1,321,990	1,355,675	1,364,083	1,295,442	1,250,810	1,281,363	1,299,769	1,328,596
General and business admin. services	992,022	893,472	913,792	936,775	892,174	990,925	964,790	997,347	1,140,745	1,079,420
Plant operations and maintenance	3,112,016	3,130,836	2,991,063	2,789,911	2,877,765	3,206,745	3,235,748	3,150,310	3,130,011	3,210,752
Pupil transportation	552,536	461,810	419,354	390,946	441,979	469,426	536,512	494,675	500,288	580,995
Other support services	6,770,342	6,670,967	6,950,050	7,402,029	8,323,551	8,104,380	8,880,918	9,444,269	9,620,237	10,466,037
Special Schools	14,096	16,706	12,076	7,618	1,617	949	6,198	19,439	13,689	11,985
Charter Schools	40,229	100,847	86,958	83,754	136,647	108,608	131,698	146,103	125,927	279,839
Capital outlay	823,603	449,403	381,166	576,851	808,680	1,039,193	956,782	564,309	661,072	566,258
<b>Debt service:</b>										
Principal	450,000	500,000	600,000	625,000	705,000	735,000	735,000	760,000	775,000	820,000
Interest and other charges	1,222,590	775,337	754,713	729,963	638,118	578,962	549,388	519,813	497,013	473,763
<b>Total expenditures</b>	<b>33,052,602</b>	<b>32,451,715</b>	<b>31,815,279</b>	<b>32,459,179</b>	<b>34,275,267</b>	<b>34,684,374</b>	<b>36,214,687</b>	<b>36,642,564</b>	<b>37,682,003</b>	<b>39,218,448</b>
Excess (Deficiency) of revenues over (under) expenditures	(1,520,311)	834,972	2,002,896	1,428,803	1,289	(188,730)	(922,569)	(343,562)	304,792	26,125
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing										
Due to state for prior year overpayment										
Prior year arbitrage rebate canceled		19,432								
Accrued interest on sale of bonds										
Prior year state aid receivable canceled			(323,433)	18,367	-	-	-	-	-	-
Transfers in	385,411	178,560	234,109	18,367	-	-	107,406	-	-	-
Transfers out	(435,411)	(182,502)	(225,937)	(36,087)	(8,000)	(52,991)	(130,118)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(50,000)</b>	<b>15,490</b>	<b>(315,261)</b>	<b>647</b>	<b>(8,000)</b>	<b>(52,991)</b>	<b>(22,712)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (1,570,311)</b>	<b>\$ 850,482</b>	<b>\$ 1,687,635</b>	<b>\$ 1,429,450</b>	<b>\$ (6,711)</b>	<b>\$ (241,721)</b>	<b>\$ (945,281)</b>	<b>\$ (343,562)</b>	<b>\$ 304,792</b>	<b>\$ 26,125</b>
Debt service as a percentage of noncapital expenditures	5.19%	3.99%	4.31%	4.25%	4.01%	3.91%	3.64%	3.55%	3.44%	3.35%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.



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

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Admission Fees	Prior Year Refunds	E-Rate Rebates	Preschool Registration Fees	Shared Services	Rentals	Activity Fees	Miscellaneous	Total
2009	\$ 592,544	\$ 3,607,825	\$ 10,941	\$ 129,577	\$ 3,429	\$ -	\$ -	\$ 8,495	\$ -	\$ 5,482	\$ 4,358,293
2010	102,241	4,648,623	13,896	7,552	8,604	-	-	18,684	-	35,307	4,834,907
2011	78,676	4,924,948	13,142	147,598	306	25,880	244,654	1,775	69,789	4,726	5,511,494
2012	58,981	4,736,771	10,839	14,381	35,059	2,360	80,410	2,793	41,261	3,049	4,985,904
2013	48,094	4,209,178	9,938	21,303	19,329	80,038	283,934	1,350	66,575	1,266	4,741,005
2014	20,968	4,413,861	14,995	15,498	-	127,205	237,837	850	40,158	43,006	4,914,378
2015	17,360	4,883,512	11,570	12,224	-	-	167,628	100	41,082	8,897	5,142,373
2016	15,416	4,627,337	12,278	19,982	-	-	311,867	3,120	38,412	36,061	5,064,473
2017	15,309	4,695,280	11,552	119,365	-	-	379,724	3,700	40,531	33,652	5,299,113
2018	21,220	5,031,214	9,504	168,808	-	-	293,693	5,685	46,075	51,093	5,627,292
	<u>\$ 970,809</u>	<u>\$ 45,778,549</u>	<u>\$ 118,655</u>	<u>\$ 656,288</u>	<u>\$ 66,727</u>	<u>\$ 235,483</u>	<u>\$ 1,999,747</u>	<u>\$ 46,552</u>	<u>\$ 383,883</u>	<u>\$ 222,539</u>	<u>\$50,479,232</u>

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Source: District records

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

J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2009	\$ 7,956,500	\$ 907,379,400	\$ 119,269,300	\$ 41,523,700	\$ 1,076,128,900	\$ 3,829,134	\$ 1,079,958,034	\$ 285,219,700	\$ 1.284	\$ 1,152,420,827
2010	7,856,900	908,013,100	116,609,600	40,265,800	1,072,745,400	3,883,294	1,076,628,694	286,540,900	1.357	1,143,980,074
2011	7,978,300	908,133,700	116,485,000	40,066,800	1,072,663,800	3,786,375	1,076,450,175	288,171,200	1.380	1,159,612,944
2012	12,139,500	909,087,200	112,440,300	39,531,700	1,073,198,700		1,073,198,700	285,501,400	1.380	1,111,995,659
2013	8,313,700	913,740,100	114,053,300	38,400,700	1,074,507,800		1,074,507,800	279,504,700	1.389	1,078,383,548
2014	7,993,800	909,879,300	112,657,200	38,400,700	1,068,931,000		1,068,931,000	283,263,300	1.408	1,032,487,546
2015	7,696,400	909,569,100	109,533,700	37,733,700	1,064,532,900		1,064,532,900	281,795,500	1.449	1,016,624,555
2016	7,216,400	909,615,600	107,548,800	37,733,700	1,062,114,500		1,062,114,500	283,705,000	1.506	1,048,832,540
2017	8,048,800	909,873,500	107,150,600	37,747,200	1,062,820,100		1,062,820,100	279,919,400	1.559	1,067,934,503
2018	7,516,700	913,710,400	107,034,400	38,180,200	1,066,441,700		1,066,441,700	292,578,100	1.591	1,067,076,244

Source:

Municipal Tax Assessor

Note:

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

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

b Tax rates are per \$100 of assessed valuation.

c Not available.

R Reassessment

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

110

Fiscal Year Ended June 30,	Collingswood School District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Collingswood	Business Improvement	Camden County	Municipal Library	
2009	\$ 1.164	\$ 0.120	\$ 1.284	\$ 0.722	\$ 0.154	\$ 0.615	\$ -	\$ 2.775
2010	1.232	0.125	1.357	0.846	0.161	0.649	-	3.013
2011	1.255	0.125	1.380	0.878	0.161	0.721	-	3.140
2012	1.255	0.125	1.380	0.885	0.167	0.751	-	3.183
2013	1.269	0.120	1.389	0.882	0.166	0.785	0.033	3.255
2014	1.289	0.119	1.408	0.936	0.174	0.774	0.032	3.324
2015	1.330	0.119	1.449	0.971	0.179	0.789	0.031	3.419
2016	1.387	0.119	1.506	0.981	0.181	0.819	0.033	3.520
2017	1.439	0.120	1.559	0.993	0.185	0.843	0.033	3.613
2018	1.470	0.121	1.591	1.008	0.185	0.842	0.033	3.659

Source: Municipal Tax Collector

R Reassessment.

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

111

Taxpayer	2018		Taxpayer	2009	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Cooper River Manor Investors	\$ 9,818,200	0.92%	Cooper River Manor Investors	\$ 9,818,200	0.91%
Collingswood Assoc.	3,624,100	0.34%	Station House Associates	7,245,500	0.67%
Parkview Urban Renewal LLC	3,384,000	0.32%	Collingswood Assoc.	5,832,000	0.54%
Flaum Prop. Co.	3,325,000	0.31%	ACE Partnerships	5,244,200	0.49%
ACE Partnership	3,300,000	0.31%	New Jersey Bell Telephone	3,689,162	0.34%
900 Haddon Avenue LLC	3,057,400	0.29%	Flaum Prop. Co.	3,325,000	0.31%
Crestwood Associates	2,751,000	0.26%	Lumberyard Redevelopment	2,755,000	0.26%
Aldi, Inc.	2,300,000	0.22%	Crestwood Associates	2,751,000	0.25%
New Jersey Bell Telephone	1,990,000	0.19%	ALDI, Inc.	2,667,000	0.25%
Inter Brotherhood Teamsters	1,977,400	0.19%	Frances Child ME Church	2,247,500	0.21%
<b>Total</b>	<b>\$ 35,527,100</b>	<b>3.33%</b>		<b>\$ 45,574,562</b>	<b>4.19%</b>

Source: Municipal Tax Assessor

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

J-9

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Calendar Year</u>	<u>Collected within the Fiscal Year of the Levy<sup>a</sup></u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2009	\$ 13,759,915	\$ 13,759,915	100.00%	-
2010	14,795,250	14,795,250	100.00%	-
2011	15,220,248	15,220,248	100.00%	-
2012	15,289,825	15,289,825	100.00%	-
2013	15,135,020	15,135,020	100.00%	-
2014	15,149,791	15,149,791	100.00%	-
2015	15,395,912	15,395,912	100.00%	-
2016	15,890,028	15,890,028	100.00%	-
2017	16,540,589	16,540,589	100.00%	-
2018	17,037,697	17,037,697	100.00%	-

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

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

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

J-10

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities		Total District	Percentage of Personal Income <sup>b</sup>	Per Capita <sup>c</sup>
	General Obligation Bonds <sup>a</sup>	Capital Leases	Capital Leases				
2009	\$ 18,326,000	\$ -	\$ -	\$ -	\$ 18,326,000	3.22%	\$ 1,324
2010	17,826,000				17,826,000	3.08%	1,279
2011	17,226,000				17,226,000	2.84%	1,238
2012	16,601,000				16,601,000	2.70%	1,195
2013	16,120,000				16,120,000	2.59%	1,160
2014	15,385,000				15,385,000	2.40%	1,109
2015	14,650,000				14,650,000	2.17%	1,046
2016	13,890,000				13,890,000	2.00%	990
2017	13,115,000				13,115,000	(1)	935
2018	12,295,000				12,295,000	(1)	(1)

Sources:

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

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

J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable <sup>b</sup>	Per Capita <sup>c</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding <sup>a</sup>		
2009	\$ 18,326,000		\$ 18,326,000	1.70%	\$ 1,324
2010	17,826,000		17,826,000	1.66%	1,279
2011	17,226,000		17,226,000	1.60%	1,238
2012	16,601,000		16,601,000	1.55%	1,195
2013	16,120,000		16,120,000	1.50%	1,160
2014	15,385,000		15,385,000	1.44%	1,109
2015	14,650,000		14,650,000	1.38%	1,046
2016	13,890,000		13,890,000	1.31%	990
2017	13,115,000		13,115,000	1.23%	935
2018	12,295,000		12,295,000	1.15%	(1)

**Sources:**

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

**Collingswood School District  
 Ratios of Overlapping Governmental Activities Debt  
 As of December 31, 2017**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Collingswood	\$ 26,314,000 (1)	100.000%	\$ 26,314,000
Camden County General Obligation Debt	113,576,610 (2)	2.828%	3,211,947
Subtotal, overlapping debt			<u>29,525,947</u>
<b>Collingswood School District Direct Debt</b>			<u>13,115,000</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 42,640,947</u></u>

**Sources:**

- (1) Entity's Audit Report
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2017 Equalized Valuation. The source for this computation was the 2017 County Abstract of Ratables, provided by the County Board of Taxation.



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

**Legal Debt Margin Calculation for Fiscal Year 2018**

	Equalized valuation basis (1)
2015	\$ 1,046,841,282
2016	1,062,964,872
2017	1,059,746,834
	<u>\$ 3,169,552,988</u>
Average equalized valuation of taxable property	<u>\$ 1,056,517,663</u>
Debt limit (4% of average equalized valuation) (2)	\$ 42,260,707
Net bonded school debt (3)	12,295,000
Legal debt margin	<u>\$ 29,965,707</u>

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	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 41,620,998	\$ 43,400,900	\$ 43,844,606	\$ 43,772,249	\$ 43,549,552	\$ 42,617,720	\$ 41,551,671	\$ 41,233,075	\$ 41,663,234	\$ 42,260,707
Total net debt applicable to limit (3)	<u>18,326,000</u>	<u>17,826,000</u>	<u>17,826,000</u>	<u>16,601,000</u>	<u>16,120,000</u>	<u>15,385,000</u>	<u>14,650,000</u>	<u>13,890,000</u>	<u>13,115,000</u>	<u>12,295,000</u>
Legal debt margin	<u>\$ 23,294,998</u>	<u>\$ 25,574,900</u>	<u>\$ 26,018,606</u>	<u>\$ 27,171,249</u>	<u>\$ 27,429,552</u>	<u>\$ 27,232,720</u>	<u>\$ 26,901,671</u>	<u>\$ 27,343,075</u>	<u>\$ 28,548,234</u>	<u>\$ 29,965,707</u>
Total net debt applicable to the limit as a percentage of debt limit	44.03%	41.07%	40.66%	37.93%	37.02%	36.10%	35.26%	33.69%	31.48%	29.09%

**Sources:**

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

Collingswood School District  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years

J-14

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2009	13,839	\$ 569,668,596	\$ 41,164	9.5%
2010	13,933	579,069,413	41,561	10.0%
2011	13,912	606,159,752	43,571	9.8%
2012	13,895	614,492,480	44,224	9.9%
2013	13,902	622,170,108	44,754	8.8%
2014	13,867	640,586,065	46,195	5.8%
2015	14,002	674,126,290	48,145	4.6%
2016	14,027	692,821,584	49,392	4.1%
2017	14,027	e	e	3.8%
2018	e	e	e	e

**Source:**

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

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

J-16

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Instruction										
Regular	136.5	137.0	141.1	144.0	142.0	143.0	147.0	141.0	149.0	149.5
Special education	44.5	57.0	43.2	50.0	69.0	67.0	67.5	64.0	62.0	59.0
Support Services:										
Student & instruction related services	45.0	46.0	36.0	36.0	60.0	54.5	48.0	48.0	48.0	49.0
School administrative services	19.0	18.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
General and business administrative services	9.5	9.5	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7
Plant operations and maintenance	32.0	33.0	33.5	33.5	33.5	32.0	32.0	32.0	32.0	32.0
Business and other support services										
Total	<u>286.5</u>	<u>300.5</u>	<u>279.5</u>	<u>289.2</u>	<u>330.2</u>	<u>322.2</u>	<u>320.2</u>	<u>310.7</u>	<u>316.7</u>	<u>315.2</u>

**Source:**  
District Personnel Records

Collingswood School District  
 Operating Statistics,  
 Last Ten Fiscal Years

J-17

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Junior High School	Senior High School				
2009	1,935	\$ 30,556,409	\$ 15,791	0.19%	181	1:10.98	1:08.05	1:12.07	1,935.3	1,824.5	1.28%	94.27%
2010	1,906	30,726,975	16,121	2.09%	175	1:10.89	1:08.03	1:12.70	1,913.7	1,783.7	-1.10%	93.21%
2011	1,860	30,083,839	16,174	0.33%	169	1:10.89	1:08.03	1:12.70	1,875.0	1,763.0	-2.02%	94.03%
2012	1,857	30,443,611	16,394	1.36%	168	1:10.89	1:08.03	1:12.70	1,857.0	1,724.3	-0.96%	92.86%
2013	1,876	32,123,469	17,123	4.45%	168	1:10.89	1:08.03	1:12.70	1,853.0	1,731.2	-0.96%	93.43%
2014	1,885	32,331,219	17,152	0.17%	167	1:10.89	1:08.03	1:12.70	1,867.2	1,756.2	-0.96%	94.06%
2015	1,891	33,973,517	17,966	4.75%	167	1:10.89	1:08.03	1:12.70	1,873.0	1,765.9	0.31%	94.28%
2016	1,942	34,798,442	17,919	-0.26%	167	1:10.89	1:08.03	1:12.70	1,946.3	1,837.0	3.91%	94.39%
2017	1,955	35,748,918	18,286	2.05%	167	1:10.89	1:08.03	1:12.70	1,950.3	1,837.4	-0.21%	94.21%
2018	1,991	37,358,427	18,764	2.61%	167	1:10.89	1:08.03	1:12.70	1,993.4	1,882.3	2.21%	94.43%

Sources: District records

Note: Enrollment based on annual October district count.

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

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

J-18

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>District Building</b>										
<b>Elementary</b>										
Garfield Elementary (1915)										
Square Feet	16,007	16,007	16,007	16,007	16,007	16,007	16,007	16,007	16,007	16,007
Capacity (students)	127	127	127	127	127	127	127	127	127	127
Enrollment	116	125	136	117	134	132	142	140	154	140
Newbie Elementary (1923)										
Square Feet	20,669	20,669	20,669	20,669	20,669	20,669	20,669	20,669	20,669	20,669
Capacity (students)	155	155	155	155	155	155	155	155	155	155
Enrollment	153	156	164	146	141	145	125	133	136	134
Sharp Elementary (1905)										
Square Feet	25,684	25,684	25,684	25,684	25,684	25,684	25,684	25,684	25,684	25,684
Capacity (students)	202	202	202	202	202	202	202	202	202	202
Enrollment	155	154	165	149	158	150	170	157	175	190
Tatem Elementary (1951)										
Square Feet	26,827	26,827	26,827	26,827	26,827	26,827	26,827	26,827	26,827	26,827
Capacity (students)	201	201	201	201	201	201	201	201	201	201
Enrollment	185	187	194	183	203	214	223	240	217	231
Zane North Elementary (1951)										
Square Feet	24,003	24,003	24,003	24,003	24,003	24,003	24,003	24,003	24,003	24,003
Capacity (students)	181	181	181	181	181	181	181	181	181	181
Enrollment	158	178	174	151	179	185	172	182	173	164
<b>Middle School</b>										
Collingswood Middle (1922)										
Square Feet	94,605	94,605	94,605	94,605	94,605	94,605	94,605	94,605	94,605	94,605
Capacity (students)	647	647	647	647	647	647	647	647	647	647
Enrollment	346	317	255	372	357	353	334	361	359	401
<b>Senior High School</b>										
Collingswood High School (1962)										
Square Feet	154,878	154,878	154,878	154,878	154,878	154,878	154,878	154,878	154,878	154,878
Capacity (students)	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055
Enrollment	823	789	823	690	681	688	707	729	741	733
<b>Other</b>										
Central Administration										
Square Feet	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Warehouse										
Square Feet	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Number of Schools at June 30, 2018										
Elementary = 5										
Middle School = 1										
Senior High School = 1										
Other = 0										

Source: District Facilities Office

Collingswood School District  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years

J-19

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

* School Facilities	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
High School	\$ 117,350	\$ 95,801	\$ 90,381	\$ 129,342	\$ 137,690	\$ 393,406	\$ 424,661	\$ 413,619	\$ 426,111	\$ 407,238	\$ 2,635,599
Middle School	33,800	25,407	52,807	61,720	53,216	240,466	259,571	252,821	260,456	248,920	1,489,184
Garfield Elementary	17,300	21,808	7,027	19,940	41,555	40,538	43,759	42,621	43,908	41,964	320,420
Newbie Elementary	14,400	12,866	20,654	34,961	17,759	52,515	56,888	55,214	56,881	54,362	376,300
Sharp Elementary	32,050	28,555	14,226	22,203	36,878	65,414	70,611	68,775	70,852	67,714	477,278
Tatem Elementary	17,050	23,017	21,271	17,315	54,394	68,178	73,595	71,681	73,846	70,575	490,922
Zane North Elementary	23,900	19,220	20,571	40,940	17,276	60,808	65,638	63,931	65,863	62,945	441,092
Total School Facilities	<u>\$ 255,850</u>	<u>\$ 226,674</u>	<u>\$ 226,937</u>	<u>\$ 326,421</u>	<u>\$ 358,768</u>	<u>\$ 921,325</u>	<u>\$ 994,523</u>	<u>\$ 968,662</u>	<u>\$ 997,917</u>	<u>\$ 953,718</u>	<u>\$ 6,230,795</u>

\* School facilities as defined under EFCFA.  
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District records

**Collingswood School District  
Insurance Schedule  
June 30, 2018**

**J-20**

	<u>Coverage</u>	<u>Self-insured Retention</u>	<u>Deductible</u>
<b>School Package Policy (1)</b>			
Building and Contents (All Locations)			
Limits of liability per occurrence	\$ 175,000,000	\$ 250,000	\$ 500
Boiler and Machinery	125,000,000		1,000
Crime	500,000	250,000	500
General and Automobile Liability	20,000,000	250,000	
Workers' compensation	Statutory	250,000	
Educators Legal Liability	20,000,000	175,000	
Pollution Legal Liability	3,000,000		25,000
Cyber Liability	1,000,000		25,000
Violent Malicious Acts	1,000,000		15,000
Disaster Management Services	2,000,000		15,000
Commerical Canine (2)	1,000,000		5,000
Catastrophe Accident Insurance (3)	6,000,000		
Student Accident Insurance (3)	1,000,000		
<b>Surety Bonds (4)</b>			
Board Secretary	250,000		

- (1) Burlington County Joint Insurance Fund
- (2) Lloyd's of London
- (3) Bolinger/Zurich
- (4) Selective Insurance Co.

Source: District records

**Single Audit Section**



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

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 American Institute of CPAs  
 New Jersey Society of CPAs

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

**INDEPENDENT AUDITOR'S REPORT**

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

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

I have audited Collingswood School District's (School District), in the County of Camden, State of New Jersey compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2018. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

**Auditor's Responsibility**

My responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and the Uniform Guidance and State of New Jersey Circular 15-08-OMB 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 or state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

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

### Opinion on Each Major Federal and State Program

In my opinion, the Collingswood School District, in the County of Camden, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2018.

### Report on Internal Control Over Compliance

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

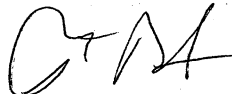
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

**INVERSO & STEWART, LLC**

Certified Public Accountants



Robert P. Inverso

Certified Public Accountant

Public School Accountant No. CS001095

Marlton, New Jersey  
January 31, 2019

COLLINGSWOOD SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year ended June 30, 2018

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2017			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2018		
						(Accounts Receivable)	Deferred Revenue	Due to Grantor						(Accounts Receivable)	Deferred Revenue	Due to Grantor
<b>U.S. Department of Education</b>																
<b>Passed-through State Department of Education:</b>																
Special Revenue Fund:																
Title I:																
Fiscal Year 2018	84.010	S010A170030	ESSA094018	\$ 419,234	7/1/17 - 6/30/18	\$ -	\$ -	\$ -	\$ -	\$ 248,520	\$ (415,432)	\$ -	\$ -	\$ (166,912)	\$ -	\$ -
Fiscal Year 2017	84.010	S010A160030	ESSA094017	442,480	7/1/16 - 6/30/17	(221,953)	-	-	-	221,953	-	-	-	-	-	
Title I Arts - Integration Competitive Grant																
Fiscal Year 2017	84.010	S010A160030	ESSA094017	100,000	7/1/16 - 6/30/17	(57,604)	-	-	-	57,604	-	-	-	-	-	
Title II A:																
Fiscal Year 2018	84.367A	S367A170029	ESSA094018	79,219	7/1/17 - 6/30/18	-	-	-	-	17,431	(19,597)	-	-	(2,166)	-	
Fiscal Year 2017	84.367A	S367A160029	ESSA094017	74,183	7/1/16 - 6/30/17	(2,194)	-	-	-	2,194	-	-	-	-	-	
Title III:																
Fiscal Year 2018	84.365	S365A170030	ESSA094018	18,508	7/1/17 - 6/30/18	-	-	-	-	10,436	(13,663)	-	-	(3,227)	-	
Fiscal Year 2017	84.365	S365A160030	ESSA094017	18,395	7/1/16 - 6/30/17	(3,130)	-	-	-	3,130	-	-	-	-	-	
Title III Immigrant																
Fiscal Year 2018	84.365	S365A170030	ESSA094018	6,028	7/1/17 - 6/30/18	-	-	-	-	935	(1,921)	-	-	(986)	-	
Fiscal Year 2017	84.365	S365A160030	ESSA094017	4,012	7/1/16 - 6/30/17	(678)	-	-	-	878	-	-	-	-	-	
Title IV:																
Fiscal Year 2018	84.424	S424A170031	ESSA094018	8,085	7/1/17 - 6/30/18	-	-	-	-	-	(7,258)	-	-	(7,258)	-	
I.D.E.A. Part B - Basic:																
Fiscal Year 2018	84.027	H027A170100	IDEA094018	587,121	7/1/17 - 6/30/18	-	-	-	-	336,505	(504,303)	-	-	(167,798)	-	
Fiscal Year 2017	84.027	H027A160100	IDEA094017	506,900	7/1/16 - 6/30/17	(160,733)	-	-	-	160,733	-	-	-	-	-	
I.D.E.A. Part B - Preschool:																
Fiscal Year 2018	84.173	H173A170114	IDEA094018	11,689	7/1/17 - 6/30/18	-	-	-	-	8,182	(11,689)	-	-	(3,507)	-	
Temporary Emergency Impact Aid for for Displaced Students	84.938C	S938C18005	N/A	22,500	7/1/17 - 6/30/18	-	-	-	-	-	(22,500)	-	-	(22,500)	-	
Total U.S. Department of Education						(446,492)	-	-	-	1,068,501	(996,363)	-	-	(374,354)	-	-
<b>U.S. Department of Agriculture</b>																
<b>Passed-through State Department of Education:</b>																
Enterprise Fund:																
Food Distribution Program:																
Fiscal Year 2018	10.565	181NJ304N1099	N/A	46,233	7/1/17 - 6/30/18	-	-	-	-	46,233	(46,233)	-	-	-	-	
School Breakfast Program:																
Fiscal Year 2018	10.553	181NJ304N1099	N/A	103,713	7/1/17 - 6/30/18	-	-	-	-	95,528	(103,713)	-	-	(8,185)	-	
Fiscal Year 2017	10.553	171NJ304N1099	N/A	99,290	7/1/16 - 6/30/17	(5,789)	-	-	-	5,789	-	-	-	-	-	
National School Lunch Program																
Fiscal Year 2018	10.555	181NJ304N1099	N/A	273,719	7/1/17 - 6/30/18	-	-	-	-	258,949	(273,719)	-	-	(14,770)	-	
Fiscal Year 2017	10.555	171NJ304N1099	N/A	263,734	7/1/16 - 6/30/17	(10,025)	-	-	-	10,025	-	-	-	-	-	
Total U.S. Department of Agriculture						(15,814)	-	-	-	416,524	(423,665)	-	-	(22,955)	-	-
<b>U.S. Department of Health and Human Services</b>																
<b>Passed-through State Department of Human Services:</b>																
General Fund:																
Medicaid Assistance Program																
Fiscal Year 2018	93.778	1805NJ5MAP	N/A	-	7/1/17 - 6/30/18	-	-	-	-	68,396	(68,396)	-	-	-	-	
Total Federal Awards						\$ (462,306)	\$ -	\$ -	\$ -	\$ 1,553,421	\$ (1,488,424)	\$ -	\$ -	\$ (397,309)	\$ -	\$ -

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



**Collingswood School District**  
**Notes to Schedules of Expenditures**  
**of Federal Awards and State Financial Assistance**  
**For the Fiscal Year Ended June 30, 2018**

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

**2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more of the 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 one or two June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$5,525 for the general fund and \$-0- for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 68,396	\$ 15,387,918	\$ 15,456,314
Special Revenue	996,363	115,285	1,111,648
Food Service	423,665	6,201	429,866
Total	<u>\$ 1,488,424</u>	<u>\$ 15,509,404</u>	<u>\$ 16,997,828</u>

**Collingswood School District  
Notes to the Schedules of Expenditures  
of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2018  
(Continued)**

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

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

**5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2018. 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, 2018.

**6. MAJOR PROGRAMS**

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

**COLLINGSWOOD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Section I --Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified?            yes       X       no

2) Significant deficiencies identified?            yes       X       none reported

Noncompliance material to basic financial statements noted?            yes       X       no

**Federal Awards**

Internal Control over major programs:

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

2) Significant deficiencies identified?            yes       X       none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ( Uniform Guidance)?            yes       X       no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.555</u>	<u>181NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.553</u>	<u>181NJ304N1099</u>	<u>School Breakfast Program</u>
<u>84.027</u>	<u>H027A170100</u>	<u>IDEA, Part B - Basic</u>
<u>84.173</u>	<u>H173A170114</u>	<u>IDEA, Part B - Preschool</u>
<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>
<u>          </u>	<u>          </u>	<u>          </u>

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

Auditee qualified as low-risk auditee?       X       yes            no

**COLLINGSWOOD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

**State Awards Section**

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

  X   yes             no

Internal Control over major programs:

1) Material weakness(es) identified?

       yes        X   no

2) Significant deficiencies identified that are not considered to be material weakness?

       yes        X   none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08 as applicable?

       yes        X   no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>18-495-034-5120-078</u>	State Aid Public Cluster: <u>Equalization Aid</u>
<u>18-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>18-495-034-5120-084</u>	<u>Security Aid</u>
<u>18-495-034-5120-085</u>	<u>Adjustment Aid</u>
<u>18-495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>18-495-034-5120-098</u>	<u>PARCC Readiness</u>
<u>18-495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>18-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>18-100-010-3350-023</u>	<u>State School Lunch Program</u>



**COLLINGSWOOD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

No findings identified.

**COLLINGSWOOD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

**FEDERAL AWARDS:**

No findings and/or questioned costs identified.

**STATE AWARDS:**

No findings and/or questioned costs identified.

**COLLINGSWOOD SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, 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 Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

There were no prior year audit findings

**FEDERAL AWARDS**

There were no prior year audit findings.

**STATE AWARDS**

There were no prior year audit findings.