

BOARD OF EDUCATION OF THE
BOROUGH OF CLEMENTON
SUMMARY OF AUDIT REPORT

The following is a summary of the audit for the fiscal year July 1, 2015 to June 30, 2016, as required by N.J.S.A. 18A:23-4 and 5.

CLEMENTON SCHOOL DISTRICT

Governmental Funds

Balance Sheet

June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 2,141,547.17	\$ 43,129.71			\$ 2,184,676.88
Cash and Cash Equivalents - Capital Reserve	719,471.79				719,471.79
Interfunds Account Receivable:					
General Fund		6,554.53		\$ 0.50	6,555.03
Enterprise Fund	7,365.02				7,365.02
Intergovernmental Accounts Receivable:					
Federal		52,214.36			52,214.36
State	97,179.30				97,179.30
Other	26,235.24				26,235.24
Other Accounts Receivable	7,227.00				7,227.00
Total Assets	\$ 2,999,025.52	\$ 101,898.60	-	\$ 0.50	\$ 3,100,924.62
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Interfunds Account Payable:					
Special Revenue Fund	\$ 6,554.53				\$ 6,554.53
Debt Service Fund	0.50				0.50
Fiduciary Funds	24,181.13				24,181.13
Intergovernmental Accounts Payable:					
State		\$ 27,309.70			27,309.70
Accounts Payable	66,692.87	8,363.45			75,056.32
Accrued Wages	42,813.98				42,813.98
Unearned Revenue		75,842.75			75,842.75
Total Liabilities	140,243.01	111,515.90	-	-	251,758.91

(Continued)

CLEMENTON SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
LIABILITIES AND FUND BALANCES (CONT'D):					
Fund Balances:					
Restricted:					
Capital Reserve	\$ 1,098,321.79				\$ 1,098,321.79
Tuition Reserve	400,000.00				400,000.00
Emergency Reserve	200,000.00				200,000.00
Maintenance Reserve	125,000.00				125,000.00
Excess Surplus	1,047,725.72				1,047,725.72
Debt Service				\$ 0.50	0.50
Assigned:					
Other Purposes	172,451.24				172,451.24
For Subsequent Year's Expenditures	141,166.46				141,166.46
Unassigned (Deficit)	(325,882.70)	\$ (9,617.30)			(335,500.00)
Total Fund Balances	<u>2,858,782.51</u>	<u>(9,617.30)</u>	<u>-</u>	<u>0.50</u>	<u>2,849,165.71</u>
Total Liabilities and Fund Balances	<u>\$ 2,999,025.52</u>	<u>\$ 101,898.60</u>	<u>-</u>	<u>\$ 0.50</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 fund financial statements. The cost of the capital assets is \$10,238,202.30, and the accumulated depreciation is \$5,898,977.00.

4,339,225.30

(Continued)

CLEMENTON SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2016

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

Deferred outflows and deferred inflows related to pensions represent the consumption and acquisition, respectively, of resources that relate to future periods; therefore, such amounts are not reported in the fund financial statements.

\$ 151,271.00

Loss on refunding of debt is a consumption of net position that is applicable to a future reporting period and therefore is not reported in the fund financial statements.

24,326.98

Accounts payable related to pensions are not liquidated with current financial resources; therefore, such amounts are not recorded in the fund financial statements.

(57,352.00)

Accrued interest payable on long-term debt is not due and payable in the current period and therefore is not reported in the fund financial statements.

(3,634.14)

Long-term liabilities, including bonds payable, compensated absences payable, pension liability, and early retirement incentive, are not due and payable in the current period and therefore are not reported in the fund financial statements.

(2,739,653.27)

Net Position of Governmental Activities

\$ 4,563,349.58

CLEMENTON SCHOOL DISTRICT
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2016

	General <u>Fund</u>	Special Revenue <u>Fund</u>	Capital Projects <u>Fund</u>	Debt Service <u>Fund</u>	Total Governmental <u>Funds</u>
REVENUES:					
Local Tax Levy	\$ 4,118,079.04			\$ 432,389.00	\$ 4,550,468.04
Tuition Charges	129,958.73				129,958.73
Unrestricted Miscellaneous Revenues	230,609.99				230,609.99
Federal Sources	17,792.88	\$ 393,325.90			411,118.78
State Sources	7,245,884.57	104,199.00			7,350,083.57
Total Revenues	11,742,325.21	497,524.90	-	432,389.00	12,672,239.11

EXPENDITURES:

Current:					
Regular Instruction	2,228,592.73	381,685.01			2,610,277.74
Special Education Instruction	751,033.10				751,033.10
Other Special Instruction	31,795.67				31,795.67
Other Instruction	42,687.21				42,687.21
Support Services and Undistributed Costs:					
Tuition	3,329,269.36				3,329,269.36
Student and Instruction Related Services	721,683.29				838,316.18
Other Administrative Services	303,593.97				303,593.97
School Administrative Services	337,621.25				337,621.25
Plant Operations and Maintenance	453,776.54	116,632.89			453,776.54
Pupil Transportation	572,523.78				572,523.78
Personal Services - Employee Benefits	2,228,510.35				2,228,510.35
Capital Outlay	82,935.30				82,935.30
Transfer of Funds to Charter Schools	51,507.00				51,507.00

(Continued)

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
EXPENDITURES (CONT'D):					
Debt Service:					
Principal				\$ 422,000.00	\$ 422,000.00
Interest and Other Charges				21,499.50	21,499.50
Total Expenditures	<u>\$ 11,135,529.55</u>	<u>\$ 498,317.90</u>	<u>-</u>	<u>443,499.50</u>	<u>12,077,346.95</u>
Excess (Deficiency) of Revenues over Expenditures	<u>606,795.66</u>	<u>(793.00)</u>	<u>-</u>	<u>(11,110.50)</u>	<u>594,892.16</u>
OTHER FINANCING SOURCES (USES):					
Transfers	2,339.90				
Total Other Financing Sources and Uses	<u>2,339.90</u>	<u>-</u>	<u>(2,339.90)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	609,135.56	(793.00)	(2,339.90)	(11,110.50)	594,892.16
Fund Balance (Deficit), July 1	<u>2,249,646.95</u>	<u>(8,824.30)</u>	<u>2,339.90</u>	<u>11,111.00</u>	<u>2,254,273.55</u>
Fund Balance (Deficit), June 30	<u>\$ 2,858,782.51</u>	<u>\$ (9,617.30)</u>	<u>-</u>	<u>\$ 0.50</u>	<u>\$ 2,849,165.71</u>

BOROUGH OF CLEMENTON BOARD OF EDUCATION

**AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2016**

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

There were no audit findings for the fiscal year ended June 30, 2015.

The above summary was prepared from the Comprehensive Annual Financial Report of the Board of Education of the Borough of Clementon School District for the fiscal year July 1, 2015 to June 30, 2016. This Comprehensive Annual Financial Report submitted by L. Jarred Corn, Public School Accountant of Bowman & Company LLP, is on file at the Board Secretary's office and may be inspected by any interested person. The information included herein is not intended to represent complete financial information as presented in the Comprehensive Annual Financial Report.

Board Secretary/Business Administrator