Comprehensive Annual Financial Report

of the

City of Wildwood Board of Education

Cape May County, New Jersey

For the Fiscal Year Ended June 30, 2011

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Introductory Section

WILDWOOD BOARD OF EDUCATION
4300 Pacific Avenue
Wildwood, New Jersey 08260
609-522-0786 609-523-1014 (fax)

November 23, 2011

Honorable President and
Members of the Board of Education
City of Wildwood School District
County of Cape May, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the City of Wildwood School District for the fiscal year ended June 30, 2011 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. REPORTING ENTITY AND ITS SERVICES:

City of Wildwood School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14 as established by NCGA Statement 3. All funds of the District are included in this report. The City of Wildwood 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 PK through 12. These include regular and vocational, as well as special education for handicapped youngsters. The District completed the 2010-11 school year with an enrollment of 745 students, which is 19 students below the previous year's enrollment. The table on the following page details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Student Enrollment	Percent Change
2010-11	744.8	-2.5%
2009-10	764.1	-7.2%
2008-09	823.3	5.7%
2007-08	778.7	6.7%
2006-07	729.9	-8.5%
2005-06	797.3	3.4%
2004-05	770.8	-7.6%
2003-04	834.1	-8.5%
2002-03	911.2	0.4%
2001-02	907.8	-4.6%

2. ECONOMIC CONDITION AND OUTLOOK:

The City of Wildwood continues to suffer under the economic down-turn in residential and commercial development and expansion. The growth of development has ceased and there are many properties for sale which have been on the market for months. The valuation of property in the city has declined, and is expected to continue in decline for the foreseeable future. This coupled with a state budget caps lower than inflation and increased state-controlled costs in areas like state facility tuition, health benefits, costs, etc. place increased pressure upon the District's budget and required the District to reduce spending in areas such as maintenance, and the reduction or elimination of some programs.

The leasing of homes to temporary or transient families has continued, and along with this has been an increase of special needs students who require specialized support services.

The District continues to cope with overcrowding in both the Pre-K through 5 and special education divisions resulting in additional costs for leasing and out-of-district placements.

3. MAJOR INITIATIVES:

The District continues to focus on curricular revision and teacher training as a means of improving student performance. The District has developed strategic plans in all areas identified as in need of improvement, and continues to revise these as needed. Understanding that it may take several years to fully implement these methods and for the student scores to reflect these changes, the District continues to support these initiatives and follow through on them.

Despite reductions in maintenance staffing and expenditures the District has tried to maintain a focus on those infrastructure issues which promote safety and an improved atmosphere. Improvements included the repainting of the hallways in the Glenwood Avenue School, additions to the District security systems, concrete step and sidewalk replacement, and other related projects.

The District is in the process of exploring the use of solar panels, as a District or as part of cooperative venture with the city, as a means of generating revenues while reducing utility expenses.

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 municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2011.

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. FINANCIAL INFORMATION AT FISCAL YEAR-END:

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund and debt service fund revenues for the fiscal year ended June 30, 2011 and the amount and percentage of increases (decreases) in relation to prior year revenues.

Revenue		Amount	Percent of Total		Increase (Decrease) 2010	Percent of Increase (Decrease)
Local Sources	$	11,678,414.34	58.94%	$	(640,925.99)	-5.20%
State Sources		6,572,383.89	33.17%		90,469.06	1.36%
Federal Sources		1,564,775.50	7.90%		40,329.34	2.51%
	$	19,815,573.73	100.00%	$	(510,127.59)	-2.48%

Local taxes increased by $31,140; tuition revenue decreased by $331,349 and miscellaneous revenues decreased by $278,437.

State sources increased by $90,469 due to an increase in state aid.

Federal grant awards expended increased by $40,329 during the year.
The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2011.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2010	Percent of Increase (Decrease)
Current Expense:				
Instruction	$ 9,120,346.47	44.94%	$ (101,974.43)	-1.11%
Undistributed Expenditures	11,113,720.81	54.76%	385,658.46	3.59%
Debt Service	-	0.00%	(45,853.87)	-100.00%
Capital Outlay	60,165.52	0.30%	27,001.70	81.42%
	$ 20,294,232.80	100.00%	$ 264,831.86	1.32%

8. DEBT ADMINISTRATION:

At June 30, 2011, there were no serial bonds or capital lease outstanding.

9. 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 that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from 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.

10. 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.

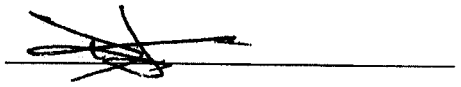
11. OTHER INFORMATION:

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and New Jersey OMB's Circular 04-04. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

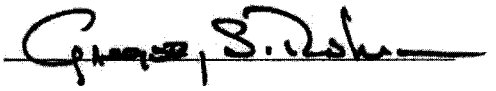
12. ACKNOWLEDGMENTS:

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

Respectfully submitted,

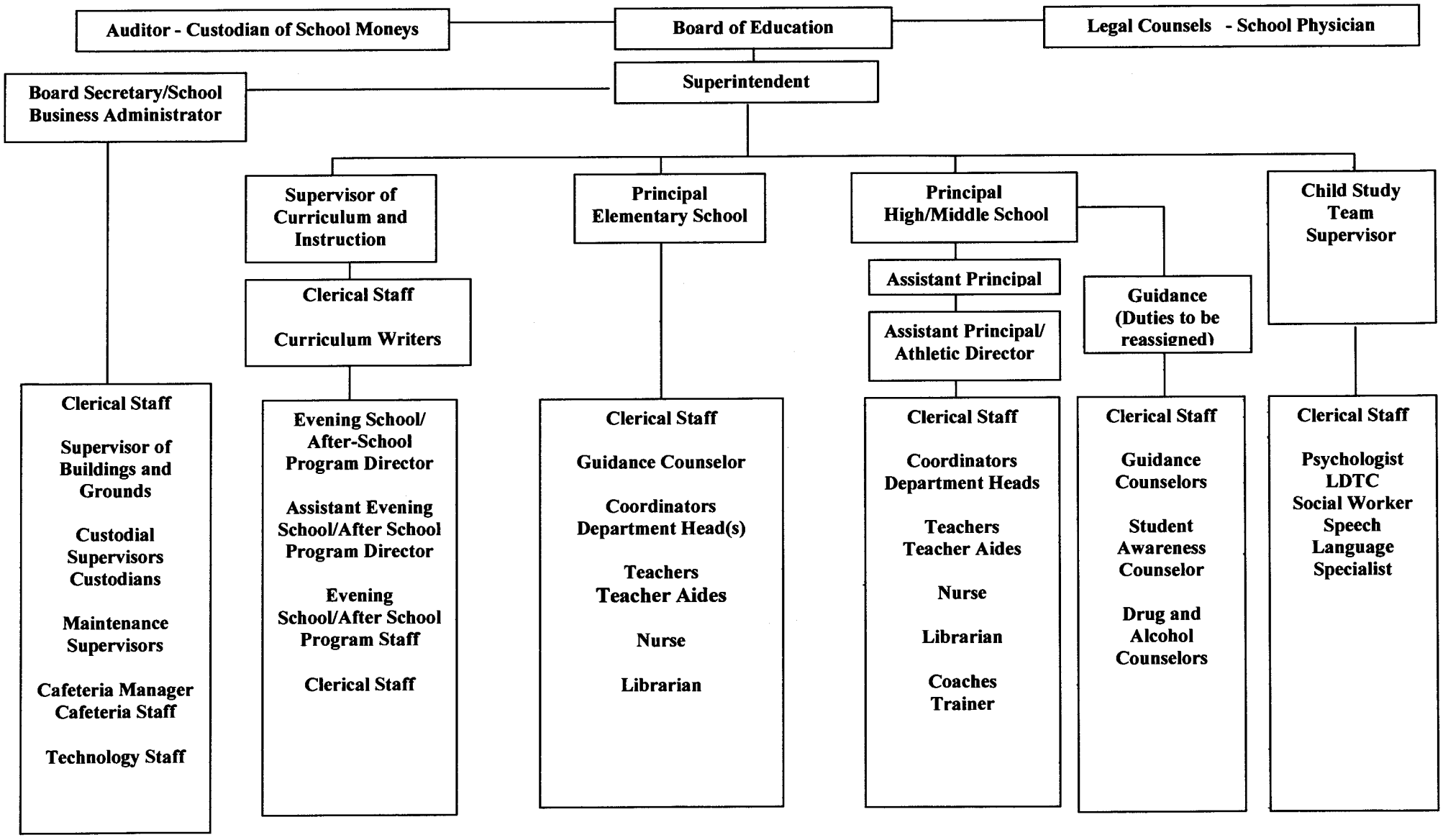


Dennis J. Anderson
Superintendent of Schools



Gregory S. Rohrman
Board Secretary/Business Administrator

WILDWOOD PUBLIC SCHOOLS
ADMINISTRATIVE ORGANIZATIONAL CHART
2010-2011



Order of assumption of Superintendent's duties in his/her absence – 1. Principal High School, 2. Principal Elementary School, 3. Child Study Team Supervisor, 4. Supervisor of Curriculum & Instruction.

APROVED BY THE WILDWOOD BOARD OF EDUCATION AT ITS REORGANIZATION/REGULAR MEETING OF APRIL 28, 2010.

CITY OF WILDWOOD BOARD OF EDUCATION
COUNTY OF CAPE MAY, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2011

Members of the Board of Education	Term Expires
R. Todd Kieninger, President	2012
Ernest Troiano, III, Vice President	2012
Jacqueline Martinez	2014
Jacquelyn McWade	2014
Kelly Phillips	2014
Lynn Quinlan	2013
Carol Bannon	2012
Theresa DiFalco	2013
Brandy DeMarzo	2014
David MacDonald (North Wildwood)	2012
Judy Huber (Wildwood Crest)	2012

Other Officials

Dennis J. Anderson, Superintendent of Schools

Gregory S. Rohrman, Board Secretary/School Business Administrator

Jeanette J. Powers, Treasurer of School Funds

Andrew J. Cafiero, Esq., Solicitor

CITY OF WILDWOOD BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

AUDIT FIRM

Ford, Scott & Associates, L.L.C.
Certified Public Accountants
1535 Haven Avenue
P.O. Box 538
Ocean City, NJ 08226-0538

ATTORNEY

Andrew J. Cafiero, Esq.
P.O. Box 789
Wildwood , NJ 08260

INSURANCE CONSULTANT

Joseph Meola
Byrne Agency
5200 New Jersey Avenue
Wildwood, NJ 08260

COMPUTER CONSULTANT

Systems 3000
615 Hope Road
Eatonton, NJ 07724

Pearson
13036 Collection Center Drive
Chicago, Il 60693

Penn Center Systems
6 Stake Road, Suite 101
Mechanicsburg, P.A. 17050

OFFICIAL DEPOSITORY

Crest Savings Bank
113 E. Wildwood Avenue
Wildwood, NJ 08260

Financial Section

FORD-SCOTT
& ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
1535 HAVEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538
PHONE 609.399.6333 • FAX 609.399.3710

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
City of Wildwood School District
County of Cape May, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Board of Education of the City of Wildwood School District, in the County of Cape May, State of New Jersey, as of and for the fiscal year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Wildwood Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our 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 audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the City of Wildwood Board of Education, in the County of Cape May, State of New Jersey, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2011 on our consideration of the City of Wildwood Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance with the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. This report is an integral part of our audit performed in accordance with Government Auditing Standards and should be considering is assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information as listed in the table of contents are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wildwood Board of Education's basic financial statements. The accompanying introductory section, combining statements, and related major fund supporting statements and schedules, and statistical information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining statements and related major fund supporting statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying schedules of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*: and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Glen J. Ortman
Certified Public Accountant
Licensed Public School Accountant
No. 853

November 23, 2011

REQUIRED SUPPLEMENTARY INFORMATION – PART I

The discussion and analysis of City of Wildwood School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2011 are as follows:

- In total, net assets decreased $738,633, which represents a 10 percent decrease from 2010.
- General revenues accounted for $15,857,401 in revenue or 77 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for $4,822,413 or 23 percent of total revenues of $20,673,814.
- Total assets of governmental activities decreased by $571,783 as cash and cash equivalents decreased by $210,335, receivables decreased by $193,412 and capital assets decreased by $168,036.
- The School District had $21,358,087 in expenses; only $4,822,413 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of $15,857,401 were adequate to provide for these programs.
- Among governmental funds, the General Fund had $17,774,479 in revenues and $18,252,365 in expenditures. The General Fund's fund balance decreased $493,604 over 2010.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the school district as a whole, the financial position of the School district have improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District is divided into two distinct kinds of activities:

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

- Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transaction. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Reporting the School District's Most Significant Funds (Continued)

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found on pages 31 to 49 of this report.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Net assets may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the School District's net assets for 2011 and 2010.

Table 1
Net Assets

	2011	2010
Assets		
Current and Other Assets	$ 3,408,225.45	$ 3,786,959.66
Capital Assets	4,947,218.33	5,118,715.94
Total Assets	8,355,443.78	8,905,675.60
Liabilities		
Long-Term Liabilities	90,555.00	56,350.00
Other Liabilities	1,494,363.14	1,340,167.38
Total Liabilities	1,584,918.14	1,396,517.38
Net Assets		
Invested in Capital Assets, Net of Debt	4,947,218.33	5,118,715.94
Restricted	1,579,782.56	2,185,902.30
Unrestricted	243,524.75	204,539.98
Total Net Assets	$ 6,770,525.64	$ 7,509,158.22

The District's combined net assets were $6,770,526 on June 30, 2011. This is a decrease of 10 percent from the prior year.

The School District as a Whole (Continued)

Table 2 shows changes in net assets for fiscal year 2011 and 2010.

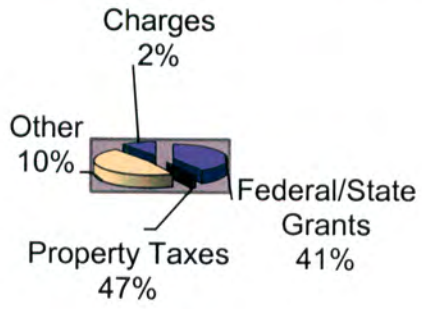
Table 2
Changes in Net Assets

	2011	2010
Revenues		
Program Revenues:		
Charges for Services	$ 509,981.09	$ 244,031.59
Operating Grants and Contributions	4,312,431.57	4,264,719.20
Capital Grants and Contributions	-	-
General Revenues:		
Property Taxes	9,339,262.00	9,370,402.00
Grants and Entitlements	4,476,550.69	4,638,351.65
Other	2,035,588.54	2,949,073.48
Total Revenues	20,673,813.89	21,466,577.92
Program Expenses		
Instruction	11,968,433.69	11,828,164.85
Support Servces:		
Tuition	1,349,058.88	1,345,013.34
Student and Instruction Related Services	2,560,706.74	2,872,868.30
General Administration, School Administration, Business Operations and Maintenance of Facilities	4,092,290.54	3,567,387.92
Pupil Transportation	470,024.96	529,180.46
Interest on Debt	-	99.18
Food Service	915,972.62	896,120.88
Other	55,959.04	3,858.35
Total Expenses	21,412,446.47	21,042,693.28
Increase (Decrease) in Net Assets	$ (738,632.58)	$ 423,884.64

Governmental Activities

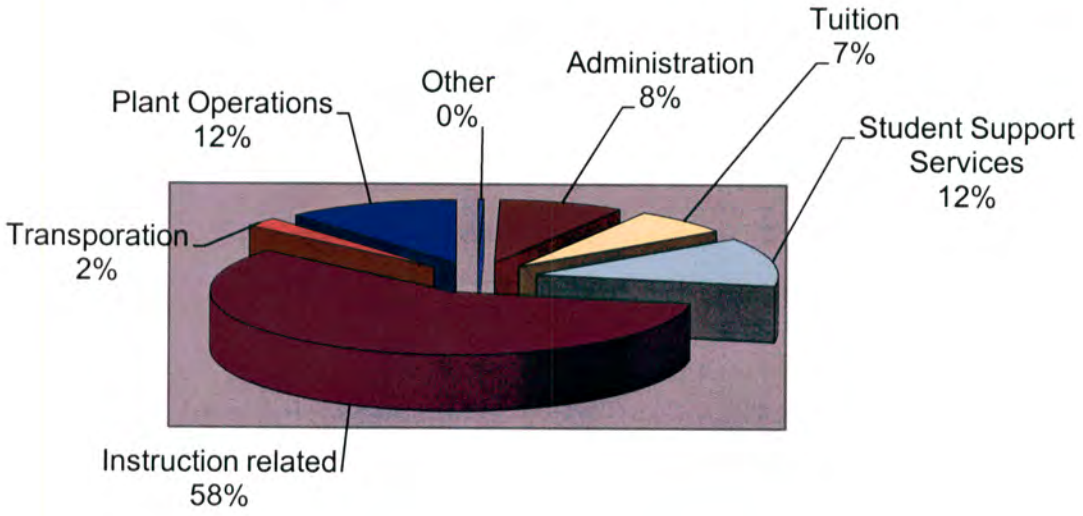
The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Federal and state grants/aid made up 41 percent of revenues for governmental activities for the City of Wildwood School District for fiscal year 2011. The District's total revenues were $19,815,574 for the year ended June 30, 2011. Property taxes accounted for another 47 percent of revenue.

Sources of Revenue for Fiscal Year 2011



The total cost of all program and services was $20,512,191. Instruction comprises 59 percent of District expenses.

Cost of Programs and Services for Fiscal Year 2011



Business-Type Activities

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

- Food service expenses exceeded revenues by $42,016.
- Charges for services represent $206,981 of revenue. This represents amounts paid by patrons for daily food service and special functions.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was $650,903.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3
Costs of Services

	Total Cost of Services 2011	Net Cost of Services 2011	Total Cost of Services 2010	Net Cost of Services 2010
Instruction	$ 11,968,433.69	$ 8,784,000.24	$ 11,828,164.85	$ 9,098,686.49
Support Servces:				
Tuition	1,349,058.88	1,349,058.88	1,345,013.34	1,345,013.34
Pupils and Instructional Staff	2,560,706.74	2,039,125.07	2,872,868.30	2,288,983.62
General Administration, School Administration and Business Operations	1,710,576.58	1,576,586.47	1,479,124.67	1,366,004.09
Operation and Maintenance of Facilities	2,381,713.96	2,381,713.96	2,088,263.25	2,000,162.73
Pupil Transportation	470,024.96	345,501.81	529,180.46	414,158.45
Interest and Fiscal Charges	-	-	99.18	99.18
Other	1,600.00	1,600.00	23,858.35	23,858.35
Total Expenses	$ 20,442,114.81	$ 16,477,586.43	$ 20,166,572.40	$ 16,536,966.25

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Tuition, Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development and the payment of tuition to other school districts.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

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

Governmental Activities (Continued)

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

"Other" includes special schools and unallocated depreciation.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to $19,815,574 and expenditures were $20,309,950. The net negative change in fund balance for the year was most significant in the General Fund, a decrease of $493,604.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2011, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase (Decrease) 2010	Percent of Increase (Decrease)
Local Sources	$ 11,678,414.34	58.94%	$ (640,925.99)	-5.20%
State Sources	6,572,383.89	33.17%	(90,469.06)	-1.36%
Federal Sources	1,564,775.50	7.90%	(40,329.34)	-2.51%
	$ 19,815,573.73	100.00%	$ (771,724.39)	-3.75%

Local taxes increased by $31,140; tuition revenue decreased by $331,349 and miscellaneous revenues decreased by $278,437.

State sources increased by $90,469 due to an increase in state aid.

Federal grant awards expended increased by $40,329 during the year.

The School District's Funds (Continued)

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2011.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2010	Percent of Increase (Decrease)
Current Expense:				
Instruction	$ 9,120,346.47	44.94%	$ (101,974.43)	-1.11%
Undistributed Expenditures	11,113,720.81	54.76%	385,658.46	3.59%
Capital Outlay	60,165.52	0.30%	27,001.70	81.42%
Debt Service	0.00	0.00%	(45,853.87)	-100.00%
	$ 20,294,232.80	100.00%	$ 264,831.86	1.32%

Changes in expenditures were the results of varying factors. Current expense increased due to increased health benefits and utility costs.

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts. Some of these revisions bear notation:

- The District transferred $488,344 into regular instruction services to cover expenses. The District over-expended the instructional budget by $95,503 due to reclassification of expenses charged to grant funds.
- The District expended $327,866 less than the amount budgeted for unallocated benefits. This allowed transfers to other accounts nearing over-expenditure.
- The District expended $329,566 less than the amount budgeted for tuition. This allowed transfers to other accounts nearing over-expenditure.
- TPAF, which is the state's contribution to the pension fund, is neither revenue nor an expenditure item of the district but is required to be reflected in the financial statements.

Capital Assets

At the end of the fiscal year 2011, the School District had $4,947,218 invested in land, building, furniture and equipment and vehicles. Table 4 shows fiscal year 2011 balances compared to 2010.

Table 4
Capital Assets (Net of Depreciation) at June 30,

	2011	2010
Land	$ 205,000.00	$ 205,000.00
Land Improvements	27,200.00	28,800.00
Buildings and Improvements	4,480,151.07	4,661,009.29
Machinery and Equipment	234,867.26	223,906.65
Total	$ 4,947,218.33	$ 5,118,715.94

Overall capital assets decreased $171,498 from fiscal year 2010 to fiscal year 2011.

Debt Administration

At June 30, 2011, the School District had $56,350 of outstanding debt. Of this amount, $56,350 is for compensated absences; and $0 for capital leases.

Table 5
Outstanding Debt at June 30

	2011	2010
Compensated Absences	$ 90,555.00	$ 56,350.00
Total	$ 90,555.00	$ 56,350.00

For the Future

The Wildwood School District is presently in adequate financial condition. The School District is proud that community support of the school has continued to grow. However, future finances are not without challenges as the community continues to grow and change in the midst of a general down-turn in the state's economy and the nation's real estate market, which has traditionally been a large part of the city's economic health. As the slow-down in new building and new businesses continues in the City of Wildwood, student population and funding could be affected.

In conclusion, the Wildwood School District has committed itself to serving the needs of all of its students and recognizes that financial excellence is necessary to fulfill that promise. In addition, the School District's system for financial planning, budgeting, and internal financial controls continues to be reviewed, assessed, and strengthened in order to meet the many challenges of the present and future.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Business Administration/Board Secretary at the City of Wildwood Board of Education, 4300 Pacific Avenue, Wildwood, New Jersey 08260.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

CITY OF WILDWOOD SCHOOL DISTRICT
Statement of Net Assets
June 30, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 1,133,901.87	$ 166,373.23	$ 1,300,275.10
Receivables, Net	1,598,283.88	34,861.63	1,633,145.51
Internal Balances	(7,718.93)	21,130.77	13,411.84
Restricted Assets:			
Cash and Cash Equivalents	461,393.00		461,393.00
Capital Assets, Net (Note 6)	4,928,543.38	18,674.95	4,947,218.33
Total Assets	8,114,403.20	241,040.58	8,355,443.78
LIABILITIES			
Accounts Payable	580,947.02	152,946.34	733,893.36
Payable to Federal Government	10,128.53		10,128.53
Payable to State Government	5,822.84		5,822.84
Payable to Other Government	7,051.25		7,051.25
Deferred Revenue	737,467.16		737,467.16
Noncurrent Liabilities (Note 7)			
Due Within One Year			-
Due Beyond One Year	90,555.00		90,555.00
Total Liabilities	1,431,971.80	152,946.34	1,584,918.14
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	4,928,543.38	18,674.95	4,947,218.33
Restricted for:			-
Debt Service	(2,844.62)		(2,844.62)
Capital Projects	18.00		18.00
Other Purposes	1,582,609.18		1,582,609.18
Unrestricted (Deficit)	174,105.46	69,419.29	243,524.75
Total Net Assets	$ 6,682,431.40	$ 88,094.24	$ 6,770,525.64

CITY OF WILDWOOD SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2011

Function/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-Type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Governmental Activities:							
Instruction:							
Regular	$ 7,184,680.12	$ -	$ 585,387.69	$ -	$ (6,599,292.43)	$ -	$ (6,599,292.43)
Special Education	3,754,288.59	303,000.00	2,215,197.90		(1,236,090.69)		(1,236,090.69)
Other Instruction	1,029,464.98		80,847.86		(948,617.12)		(948,617.12)
Support Services:							-
Tuition	1,349,058.88				(1,349,058.88)		(1,349,058.88)
Student & Instruction Related Services	2,560,706.74		521,581.67		(2,039,125.07)		(2,039,125.07)
School Administrative Services	893,697.34		76,990.08		(816,707.26)		(816,707.26)
Plant Operation and Maintenance	2,381,713.96				(2,381,713.96)		(2,381,713.96)
Pupil Transportation	470,024.96		124,523.15		(345,501.81)		(345,501.81)
General and Business Services	816,879.24		57,000.03		(759,879.21)		(759,879.21)
Interest on Long-Term Debt					-		-
Unallocated Depreciation	1,600.00				(1,600.00)		(1,600.00)
Total Governmental Activities	20,442,114.81	303,000.00	3,661,528.38	-	(16,477,586.43)	-	(16,477,586.43)
Business-Type Activities:							
Food Service	915,972.62	206,981.09	650,903.19			(58,088.34)	(58,088.34)
Total Business-Type Activities	915,972.62	206,981.09	650,903.19	-	-	(58,088.34)	(58,088.34)
Total Primary Government	$ 21,358,087.43	$ 509,981.09	$ 4,312,431.57	$ -	$ (16,477,586.43)	$ (58,088.34)	$ (16,535,674.77)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					$ 9,339,262.00	$ -	$ 9,339,262.00
Federal and State Aid not Restricted					4,476,550.69	-	4,476,550.69
Tuition Received					1,934,993.00	-	1,934,993.00
Investment Earnings					16,656.92	355.88	17,012.80
Miscellaneous Income					83,582.74	-	83,582.74
Transfers					(15,716.89)	15,716.89	-
Special Item:							
Loss on Disposal of Fixed Assets					(54,359.04)		(54,359.04)
Total General Revenues, Special Items, Extraordinary Items and Transfers					15,780,969.42	16,072.77	15,797,042.19
Change in Net Assets					(696,617.01)	(42,015.57)	(738,632.58)
Net Assets - Beginning					7,379,048.41	130,109.81	7,509,158.22
Net Assets - Ending					$ 6,682,431.40	$ 88,094.24	$ 6,770,525.64

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

FUND FINANCIAL STATEMENTS

The individual fund financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

CITY OF WILDWOOD SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 1,133,901.87	$ -	$ -	$ 1,133,901.87
Receivables from Other Governments	50,246.38	1,536,023.84		1,586,270.22
Interfunds Receivable	932,999.52			932,999.52
Other Accounts Receivable	11,959.00	54.66		12,013.66
Restricted Cash & Cash Equivalents	461,393.00			461,393.00
Total Assets	$ 2,590,499.77	$ 1,536,078.50	$ -	$ 4,126,578.27
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 579,500.24	$ 1,446.78	$ -	$ 580,947.02
Payable to Federal Government		10,128.53		10,128.53
Payable to State Government		5,822.84		5,822.84
Payable to Other Governments	7,051.25			7,051.25
Interfunds Payable	21,130.77	916,743.06	2,844.62	940,718.45
Deferred Revenue	96,919.87	640,547.29		737,467.16
Total Liabilities	704,602.13	1,574,688.50	2,844.62	2,282,135.25
Fund Balances:				
Restricted for:				
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	778,010.00			778,010.00
Capital Reserve	18.00			18.00
Emergency Reserve	250,000.00			250,000.00
Maintenance Reserve	211,375.00			211,375.00
Debt Service			(2,844.62)	(2,844.62)
Assigned to:				
Designated by BOE for Subsequent Expenditures	344,651.00			344,651.00
Other Purposes	343,224.18			343,224.18
Unassigned				
General Fund	(41,380.54)			(41,380.54)
Special Revenue Fund		(38,610.00)		(38,610.00)
Total Fund Balances	1,885,897.64	(38,610.00)	(2,844.62)	1,844,443.02
Total Liabilities and Fund Balances	$ 2,590,499.77	$ 1,536,078.50	$ -	

Amounts reported for *governmental activities* in the statement of net assets (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 $9,179,510.71 and the accumulated depreciation is $4,250,967.33.	4,928,543.38
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. (See Note 7)	(90,555.00)
	$ 6,682,431.40

CITY OF WILDWOOD SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	$ 9,339,262.00	$ -	$ -	$ 9,339,262.00
Tuition Charges	2,237,993.00			2,237,993.00
Interest Earned on Capital Reserve	-			-
Miscellaneous	100,239.66	919.68		101,159.34
Total Local Sources	11,677,494.66	919.68	-	11,678,414.34
State Sources	6,076,235.86	496,148.03		6,572,383.89
Federal Sources	20,748.05	1,544,027.45		1,564,775.50
Total Revenues	17,774,478.57	2,041,095.16	-	19,815,573.73
EXPENDITURES				
Current:				
Regular Instruction	5,237,263.27		-	5,237,263.27
Special Education Instruction	1,482,227.30	1,641,538.47		3,123,765.77
Other Instructional Programs	759,317.43			759,317.43
Support Services:				
Tuition	1,349,058.88			1,349,058.88
Student & Instruction Related Serv.	1,621,746.59	343,809.37		1,965,555.96
School Administrative Services	636,440.30			636,440.30
Other Administrative Services	626,417.58			626,417.58
Plant Operation and Maintenance	1,919,280.25			1,919,280.25
Pupil Transportation	470,024.96			470,024.96
Employee Benefits	4,146,942.88			4,146,942.88
Capital Outlay	3,646.00	56,519.52		60,165.52
Total Expenditures	18,252,365.44	2,041,867.36	-	20,294,232.80
Excess (Deficiency) of Revenues Over Expenditures	(477,886.87)	(772.20)	-	(478,659.07)
OTHER FINANCING SOURCES (USES)				
Transfer in				-
Transfer out	(15,716.89)			(15,716.89)
Total Other Financing Sources and Uses	(15,716.89)	-	-	(15,716.89)
Net Changes in Fund Balance	(493,603.76)	(772.20)	-	(494,375.96)
Fund Balance (Deficit) - July 1	2,379,501.40	(37,837.80)	(2,844.62)	2,338,818.98
Fund Balance (Deficit) - June 30	$ 1,885,897.64	$ (38,610.00)	$ (2,844.62)	$ 1,844,443.02

CITY OF WILDWOOD SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2011

Total Net Change in Fund Balance - Governmental Funds (from B-2)		$ (494,375.96)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount depreciation exceeded capital outlays for the period.		
Depreciation expense	$ (233,024.69)	
Capital Outlays	119,347.68	
		(113,677.01)
In the statement of activities, only the loss on disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale (if any) increases financial resources. Thus, the change in net assets differs from the change in fund balance by book value of the assets disposed.		(54,359.04)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) 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 (+).		(34,205.00)
Change in Net Assets of Governmental Activities		$ (696,617.01)

CITY OF WILDWOOD SCHOOL DISTRICT
Proprietary Funds
Statement of Net Assets
June 30, 2011

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Programs	Totals
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 166,373.23	$ -	$ 166,373.23
Accounts Receivable:			-
Other	1,705.47		1,705.47
Federal	32,487.36		32,487.36
State	668.80		668.80
Interfunds	21,130.77		21,130.77
Total Current Assets	222,365.63	-	222,365.63
Noncurrent Assets:			
Furniture, Machinery & Equipment	123,336.27		123,336.27
Less: Accumulated Depreciation	(104,661.32)		(104,661.32)
Total Noncurrent Assets	18,674.95	-	18,674.95
Total Assets	$ 241,040.58	$ -	$ 241,040.58
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 152,946.34	$ -	$ 152,946.34
Intergovernmental Accounts Payable			
Federal			-
Total Current Liabilities	152,946.34	-	152,946.34
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	18,674.95		18,674.95
Unrestricted (Deficit)	69,419.29		69,419.29
Total Net Assets	$ 88,094.24	$ -	$ 88,094.24

CITY OF WILDWOOD SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Programs	Totals Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - All programs	$ 206,981.09	$ -	$ 206,981.09
Total Operating Revenue	206,981.09		206,981.09
Operating Expenses:			
Cost of Sales	347,611.61		347,611.61
Salaries	333,043.15		333,043.15
Employee Benefits	21,309.03		21,309.03
Materials and Supplies	40,211.92		40,211.92
Other Direct Costs	133,410.51		133,410.51
Purchased Services	36,924.84		36,924.84
Depreciation	3,461.56		3,461.56
Total Operating Expenses	915,972.62		915,972.62
Operating Income (Loss)	(708,991.53)		(708,991.53)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	7,138.48		7,138.48
State Breakfast Program	239.75		239.75
Federal Sources:			
National School Lunch Program	312,763.46		312,763.46
School Breakfast Program	197,130.68		197,130.68
After School Snacks	101,317.84		101,317.84
Food Distribution Program	32,312.98		32,312.98
Interest and Investment Income	355.88		355.88
Total Nonoperating Revenues (Expenses)	651,259.07		651,259.07
Income (Loss) before Contributions & Transfers	(57,732.46)		(57,732.46)
Transfers In (Out)	15,716.89		15,716.89
Changes in Net Assets	(42,015.57)		(42,015.57)
Total Net Assets - Beginning	130,109.81	-	130,109.81
Total Net Assets - Ending	$ 88,094.24	$ -	$ 88,094.24

CITY OF WILDWOOD SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2011

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Programs	Totals Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	$ 207,567.27	$ -	$ 207,567.27
Payments to Food Service Management Company	(843,438.02)		(843,438.02)
Net Cash Provided by (Used for) Operating Activities	(635,870.75)	-	(635,870.75)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	8,957.57		8,957.57
Federal Sources	657,566.33		657,566.33
Operating Subsidies and Transfers to Other Funds	118,640.11		118,640.11
Net Cash Provided by (Used for) Noncapital Financing Activities	785,164.01	-	785,164.01
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Fixed Assets	-		-
Net Cash Provided by (Used for) Capital and Related Financing Activities	-	-	-
CASH FLOW FROM INVESTING ACTIVITIES			
Interest and Dividends	355.88		355.88
Net Cash Provided by (Used for) Investing Activities	355.88	-	355.88
Net Increase (Decrease) in Cash and Cash Equivalents	149,649.14	-	149,649.14
Balance - Beginning of Year	16,724.09	-	16,724.09
Balance - End of Year	$ 166,373.23	$ -	$ 166,373.23
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	$ (708,991.53)	$ -	$ (708,991.53)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation and Net Amortization	3,461.56		3,461.56
Board Contribution - Expenses paid in Gen Fund	5,000.00		5,000.00
(Increase) Decrease in Accounts Receivable	586.18		586.18
Increase (Decrease) in Accounts Payable	64,073.04		64,073.04
Total Adjustments	73,120.78	-	73,120.78
Net Cash Provided by (Used for) Operating Activities	$ (635,870.75)	$ -	$ (635,870.75)

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Statement of Net Assets
June 30, 2011

	Unemployment Compensation	Private Purpose Scholarship Fund	Agency Fund
ASSETS			
Cash and Cash Equivalents	$ 1,394.72	$ 156,304.22	$ 73,478.70
Overpaid Payroll Deductions			2,479.86
Total Assets	$ 1,394.72	$ 156,304.22	$ 75,958.56
LIABILITIES			
Accounts Payable	$ 15,400.75	$ -	$ -
Interfunds Payable			13,411.84
Due to Student Groups			62,546.72
Total Liabilities	15,400.75	-	$ 75,958.56
NET ASSETS			
Held in Trust for Unemployment Claims and Other Purposes	$ (14,006.03)		
Reserved for Scholarships		$ 156,304.22	

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2011

	Unemployment Compensation	Private Purpose Scholarship Fund
ADDITIONS		
Contributions:		
Plan Member	$ 15,998.48	$ -
Board Contribution	68,000.00	
Other	-	30,100.00
Total Contributions	83,998.48	30,100.00
Investment Earnings:		
Net Increase (Decrease) in Fair Value		
Interest	73.74	663.48
Less: Investment Expense		
Net Investment Earnings	73.74	663.48
Total Additions	84,072.22	30,763.48
DEDUCTIONS		
Unemployment Claims	103,605.50	
Scholarships Awarded		22,101.60
Total Deductions	103,605.50	22,101.60
Changes in Net Assets	(19,533.28)	8,661.88
Net Assets - Beginning of the Year	5,527.25	147,642.34
Net Assets (Deficit) - End of the Year	$ (14,006.03)	$ 156,304.22

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of City of Wildwood School District (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 Board's accounting policies are described below.

A. Reporting Entity

The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the district is to educate students in grades K-12. The District operates an elementary, middle school and high school located in City of Wildwood.

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

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

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

The School District's basic financial statements consist of District-wide statements (i.e. statement of net assets and a statement of activities) and fund financial statements, which provide a more detailed level of financial information.

District-Wide Financial Statements: The statement of net assets and the statement of activities display information about the district as a whole. These statements report the financial activities of the overall District, except for fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by property taxes, intergovernmental revenues, and other non-exchange transactions from business-type activities, generally financed in whole or in part with fees charged to external parties.

The statement of net assets presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges and fees paid by the recipients of goods or services offered by the programs; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing, or draws from the general revenues of the School District.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation, Measurement Focus and Basis of Accounting

Basis of Presentation

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. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education ("Department") has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The Department believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

Governmental Funds

The District reports the following governmental funds:

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

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Generally accepted accounting principles, 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 that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that 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 the accumulation of resources for, and the payment of, principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation, Measurement Focus and Basis of Accounting - Continued

Basis of Presentation - Continued

Proprietary Funds

The District reports the following proprietary fund:

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business operations – where the intent of the District is that the costs of providing goods or services be financed or recovered primarily through user charges.

The District's Enterprise Fund is comprised of the Food Service Fund, which accounts for all revenues and expenses pertaining to the District's cafeteria operations.

Fiduciary Funds

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Expendable Trust Fund - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. Expendable Trust Funds include the Unemployment Compensation Insurance Trust and the Scholarship Funds.

Nonexpendable Trust Fund - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. The District maintains various Scholarship Funds as a Nonexpendable Trust Fund.

Agency Funds - Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. Basis of Presentation, Measurement Focus and Basis of Accounting - Continued

Measurement Focus and Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

The District-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net assets (total assets less total liabilities) are used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net assets. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the statement of net assets.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available is they are collected within 60 days of the end of the fiscal year. Revenue from federal, state and other grants designated for payment of specific school district expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

The District applies only those applicable pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989 in accounting and reporting for its proprietary operations.

C. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval 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, except for special revenue funds. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g). All budget amendments/transfer must be approved by School Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year.

Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Budgets/Budgetary Control - Continued

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

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

D. Encumbrance Accounting

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end.

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

E. Assets, Liabilities and Equity

Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, bank deposits and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - 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 Act. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

Interfund Transactions

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the Enterprise Fund. Repayments from funds responsible for particular expenditure/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories

Inventories, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Inventories in the Enterprise Fund are recorded at cost, computed on a first-in, first out method. In the fund based financial statements, commodities received from the U.S. Department of Agriculture are recorded as deferred revenue until consumed.

Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The capitalization threshold used by school districts in the State of New Jersey is $2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over their estimated useful lives. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Compensated Absences

The District accounts for compensated absences (e.g., unused sick, vacation leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. Upon termination, employees are paid for accrued vacation. The 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 District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates it's accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received in the Special Revenue Fund before they have been earned are recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are 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 laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance Reserves

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classified governmental fund balances as follows;

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

Revenues – Exchange and Nonexchange Transactions

Revenues 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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means 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 District, available means within sixty days of the fiscal year end.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Equity - Continued

Revenues – Exchange and Nonexchange Transactions - Continued

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlement, and donations is recognized in the period in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the 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 specific purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes as an advance, interest and tuition.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the direct expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is 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 Act. Of the School District's bank Balance of $2,116,546.09 as of June 30, 2011, $85,516.20 was uninsured and uncollateralized.

Investments

The District had no investments in fiscal year ending June 30, 2011.

NOTE 3 – RECEIVABLES

Receivables at June 30, 2011, consisted of accounts (tuition), interfund, and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government Wide Financial Statements
Property Taxes	$ 20,960.50	$ 20,960.50
State Aid	37,006.28	37,675.08
Federal Aid	1,528,303.44	1,560,790.80
Interfunds	932,999.52	13,411.84
Other	12,013.66	13,719.13
Gross Receivables	2,531,283.40	1,646,557.35
Less: Allowance for Uncollectibles		
Total Receivables, Net	$ 2,531,283.40	$ 1,646,557.35

NOTE 4 – INTERFUND TRANSFERS AND BALANCES

The following interfund balances remained on the fund financial statements at June 30, 2010:

Fund	Interfund Receivable	Interfund Payable
General Fund	$ 932,999.52	$ 21,130.77
Food Service Fund	21,130.77	
Special Revenue Fund		916,743.06
Debt Service Fund		2,844.62
Trust and Agency		13,411.84
Total	$ 954,130.29	$ 954,130.29

NOTE 4 – INTERFUND TRANSFERS AND BALANCES - Continued

The general fund receivable is comprised of three interfunds. The first is due from the special revenue fund in the amount of $916,743.06 which is a result of the general funds loan to cover the special revenue funds cash deficit. The second interfund is due from the debt service fund in the amount of $2,844.62 for a deficit in that fund that was created by the district budgeting too much in Type II Debt Service Aid. The third is due from the Trust and Agency Accounts for payroll and agency accounts balances due to the general fund. The general fund payable of $21,130.77 is due to the food service fund. This represents federal, state and district subsidies received in the general fund but not turned over to the food service fund.

NOTE 5 – INVENTORY

There was no inventory in the Food Service Enterprise Fund at June 30, 2011.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets,not being depreciated:				
Land	$ 205,000.00	$	$	$ 205,000.00
Total capital assets not being depreciated	205,000.00	-	-	205,000.00
Capital assets being depreciated:				
Land Improvements	76,050.67			76,050.67
Buildings and building improvements	8,412,493.00			8,412,493.00
Machinery and Equipment	545,540.00	119,347.68	178,920.64	485,967.04
Total capital assets being depreciated at historical cost	9,034,083.67	119,347.68	178,920.64	8,974,510.71
Less accumulated depreciation for:				
Land Improvements	(47,250.67)	(1,600.00)		(48,850.67)
Buildings and improvements	(3,751,483.71)	(180,858.22)		(3,932,341.93)
Equipment	(343,769.86)	(50,566.47)	(124,561.60)	(269,774.73)
Total capital assets being depreciated, net of accumulated depreciation	4,891,579.43	(113,677.01)	54,359.04	4,723,543.38
Governmental activity capital assets, net	$ 5,096,579.43	$ (113,677.01)	$ 54,359.04	$ 4,928,543.38
Business-type activities:				
Capital assets being depreciated:				
Equipment	$ 123,336.27	$	$	$ 123,336.27
Less accumulated depreciation	(101,199.76)	(3,461.56)		(104,661.32)
Enterprise Fund capital assets, net	$ 22,136.51	$ (3,461.56)	$ -	$ 18,674.95

NOTE 7 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2011 are as follows:

	Balance June 30, 2010	Issues or Additions	Payments or Expenditures	Balance June 30, 2011	Amounts Due Within One Year
Compensated Absences	$ 56,350.00	$ 34,205.00	$	$ 90,555.00	$
	$ 56,350.00	$ 34,205.00	$ -	$ 90,555.00	$ -

Compensated absences and capital leases have been liquidated in the General Fund.

Bonds Payable

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

At June 30, 2011, there were no school bonds payable.

Capital Leases

The District had not capital lease payable at June 30, 2011.

NOTE 8 – OPERATING LEASES

The District has commitments to classroom space preschool and kindergarten and for leasing copying equipment under operating leases that expire in 2011. Total operating lease payments made during the year ended June 30, 2011 were $168,160.12. Future minimum lease payments are as follows:

Year Ending June 30,	Principal
2012	$ None
Total future minimum lease payments	$ -

NOTE 9 – PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be 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 has no employees enrolled in the Defined Contribution Retirement Program (DCRP) during the fiscal year ended June 30, 2011.

NOTE 9 – PENSION PLANS - Continued

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

Significant Legislation - During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) that changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by 1/2 of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF. The School District's contributions to TPAF for the years ending June 30, 2011, 2010 and 2009 were $0, $0, and $0 respectively, and normally paid by the State of New Jersey on behalf of the board. The State of New Jersey has not made the required pension contributions for the last three years. The School District's contributions to PERS for the years ending June 30, 2011, 2010, 2009 were $174,138, $145,237.00, and $122,723.00 respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2011, 2010 and 2009, the State of New Jersey contributed $571,533, $586,821.00, and $573,973.00, respectively, to the TPAF for post-retirement medical benefits and NCGI premiums on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board $595,503.66, $646,791.95, and $637,812.82 during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

NOTE 10 – POST-RETIREMENT BENEFITS

The School District contributes to the New Jersey State Health Benefits Program ("the SHBP"), a cost sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP provides medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents.

NOTE 10 – POST-RETIREMENT BENEFITS - Continued

The State Health Benefits Program is found in the New Jersey Statutes Annotated, Title 52, Article 17.25 et seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The Division of Pension and Benefits issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and 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 and payment of post-retirement medical benefits for retired state employees through TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2010, there were 87,288 retirees eligible for post-retirement medical benefits. 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 premiums 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 free health benefits for members PERS and the Alternative Benefit Program who retired from a board of education or county college with 25 years of service. The State paid $126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in Fiscal Year 2010.

NOTE 11 – COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years as long as it does not violate Title 18A. Upon retirement employees shall be paid by the District for unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, no liability existed for compensated absences in the Food Service Enterprise Fund.

NOTE 12 – DEFERRED COMPENSATION

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

VALIC (variable Annuity Life insurance Co.)
Lincoln Investment Planning Inc.
Thomas Seely Agency, Inc.
Equitable (Equi-Vest)
Smith Barney
Siracusa Benefits Program

NOTE 13 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by City of Wildwood Board of Education by the inclusion of $1.00 on October 10, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes pr by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained 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. 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its LRFP.

The activity of the capital reserve for the July 1, 2010 to June 30, 2011 fiscal year is as follows:

Beginning Balance, July 1, 2010	$	18.00
Budgeted Increase in Reserve		
Ending Balance, June 30, 2011	$	18.00

NOTE 14 – RISK MANAGEMENT

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

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

NOTE 14 – RISK MANAGEMENT - Continued

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

Fiscal Year	Contributions	Interest on Investments	Amount Reimbursed	Ending Balance
2010-2011	$ 83,998.48	$ 73.74	$ 103,605.50	$ (14,006.03)
2009-2010	15,827.01	243.55	59,868.57	5,527.25
2008-2009	15,731.64	422.25	55,857.46	49,325.26

NOTE 15 – CONTINGENT LIABILITIES

Federal and State Grants

The District participates in a number of federal and state grant programs. The grant programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance would result in the disallowance of program expenditures.

NOTE 16 – ECONOMIC DEPENDENCY

The District receives support from federal government and from the state governments through local school districts. A significant reduction in the level of support, if this were to occur, would have an effect on the District's programs and activities.

NOTE 17 – LITIGATION

The Board of Education is a defendant in legal proceedings that are in various stages of litigation. The New Jersey School Board Association Insurance Group is handling the litigation and it is believed that the outcome, or exposure to the Board, from such litigation for any potential losses are covered by insurance.

NOTE 18 – COMMITMENTS

The District does not have encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund. Significant encumbrances at June 30th are as follows;

Fund	Amount
General Fund Encumbered Orders	$ 343,224.18
Special Revenue Fund - Encumbered Orders	117,096.12
	$ 460,320.30

NOTE 19 – FUND BALANCE APPROPRIATED

Restrictions of funds balances of governmental funds are established to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures.

The District uses restricted/committed amounts to be spent first when both restricted an unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the District does not have a formal fund balance spending policy therefore the default spending order requires committed, assigned and then unassigned to be used be spent first when expenditures are made.

The District follows the State of New Jersey's minimum fund balance policy for New Jersey Regular Public School Districts (N.J.S.A. 18A:7F-7). Pursuant to that policy, an undesignated fund balance of 2% of the general fund budget or $250,000, whichever is greater may be maintained.

The District's major sources of special revenue funds is federal grant funding for the No Child Left Behind (NCLB) program and federal grants for special education.

Specific classifications of fund balance are summarized below;

Non-Spendable Fund Balance – The District had no non-spendable fund balance at June 30, 2011.

Restricted Fund Balance

Capital Reserve Account – As of June 30, 2011, the balance in the capital reserve account was $18.00 (See Note 13). These funds are restricted for future capital outlay expenditures for projects in the School District's long range facilities plan (LRFP).

Maintenance Reserve Account – As of June 30, 2011, the balance in the maintenance reserve account was $211,375.00. 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).

Excess Surplus – In accordance with N.J.S.A. 18A7F-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 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 year's budget. The excess fund balance at June 30, 2011 is $778,010.00; All of this restricted amount has designated for utilization in the 2011-12 budget and $0 is required to be utilized in the 2012-13 budget.

Emergency Reserve Account – As of June 30, 2011. The balance in the emergency reserve was $250,000.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1).

Debt Service Fund – As of June 30, 2011, the restricted balance (deficit) in the debt service fund was ($2,844.62).

NOTE 19 – FUND BALANCE APPROPRIATED - Continued

Committed Fund Balance - The District's has no Committed Fund balance at June 30, 2011.

Assigned Fund Balance – At June 30, 2011, the Board of Education has assigned $344,651.00 of previously unassigned general fund balance to expenditures in the 2011-12 budget. In addition, the District assigned fund balance in the general fund for other purposes of $343,224.18. This represents encumbrances resulting from issuing purchase orders as a result of normal purchasing activities approved by District Officials.

Unassigned Fund Balance – At June 30, 2011, the District has ($41,380.54) of unassigned fund balance deficit in the general fund and ($38,610.00) in the Special Revenue Fund. (See Note 21).

NOTE 20 – CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004,c73 (S1701), the designation for Reserved Fund balance – Excess surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve 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, 2011 is $0.

NOTE 21 – DEFICIT FUND BALANCES

The District has a deficit fund balance of $41,380.54 in the General Fund and $38,610.00 in the Special Revenue Fund as of June 30, 2011 as reported in the fund statements (modified accrual basis). P.L. 2003, c. 97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last payment as revenue, for budget purposes only, in the current school 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 last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the General Fund or Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties. The District deficit in the Special revenue fund in the GAAP fund statements of $38,610.00 is equal to the last state aid payment for that fund.

The District has a deficit fund balance in the debt service fund of $2,844.62 at June 30, 2011 as reported in the fund statements. The deficit is the result of the district over budgeting revenue from Type II Debt Service Aid in the same amount. This deficit must be provided in future budgets.

NOTE 22 – NET ASSET DEFICITS

The Statement of Net Assets (as listed in the table of contents) reports total Net Assets in the amount of $6,770,525.64, but one of it sub categories contain deficits.

NOTE 23 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2011 through November 23, 2011, the date that the financial statements were issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	$ 9,339,262.00	$ -	$ 9,339,262.00	$ 9,339,262.00	$ -
Tuition	2,235,343.00		2,235,343.00	2,237,993.00	2,650.00
Interest Earned on Investments	17,000.00		17,000.00	16,656.92	(343.08)
Interest Earned on Capital Reserve			-		-
			-		-
Miscellaneous			-	83,582.74	83,582.74
Total Local Sources	11,591,605.00	-	11,591,605.00	11,677,494.66	85,889.66
State Sources:					
Extraordinary Aid			-		-
Categorical Special Education Aid	358,529.00		358,529.00	358,529.00	-
Equalization Aid	483,153.00		483,153.00	483,153.00	-
Categorical Security Aid	267,245.00		267,245.00	267,245.00	-
Adjustment Aid	3,557,617.00		3,557,617.00	3,557,617.00	-
Categorical Transportation Aid	122,558.00		122,558.00	122,558.00	-
TPAF Contributions (On-Behalf - Non-Budgeted):					
NCGI Premium			-	25,698.00	25,698.00
Post Retirement Medical Contributions			-	545,835.00	545,835.00
TPAF Social Security (Reimbursed-Non-Budgeted)			-	595,503.66	595,503.66
Total State Sources	4,789,102.00	-	4,789,102.00	5,956,138.66	1,167,036.66
Federal Sources:					
Medicaid Reimbursement	31,197.00		31,197.00	20,748.05	(10,448.95)
Total Federal Sources	31,197.00	-	31,197.00	20,748.05	(10,448.95)
Total Revenues	16,411,904.00	-	16,411,904.00	17,654,381.37	1,242,477.37

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Kindergarten Salaries of Teachers	$ 369,652.00	$ (237,000.00)	$ 132,652.00	$ 132,494.94	$ 157.06
Grades 1 - 5 Salaries of Teachers	990,745.00	580,400.00	1,571,145.00	1,650,035.70	(78,890.70)
Grades 6 - 8 Salaries of Teachers	711,318.00	196,500.00	907,818.00	907,138.19	679.81
Grades 9 - 12 Salaries of Teachers	1,860,635.00	(156,700.00)	1,703,935.00	1,703,815.88	119.12
Regular Programs - Home Instruction					
Salaries of Teachers	43,000.00	(25,104.00)	17,896.00	17,049.70	846.30
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	101,313.00	(44,500.00)	56,813.00	131,837.34	(75,024.34)
Purchased Professional - Educational Services	3,000.00	20,700.00	23,700.00	23,299.50	400.50
Purchased Technical Services	37,000.00	101,236.04	138,236.04	137,936.68	299.36
Other Purchased Services (400-500 series)	146,000.00	(39,317.66)	106,682.34	106,638.41	43.93
General Supplies	354,754.00	79,429.00	434,183.00	402,620.74	31,562.26
Textbooks	30,000.00	12,700.00	42,700.00	18,771.79	23,928.21
Other Objects	6,000.00		6,000.00	5,624.40	375.60
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,653,417.00	488,343.38	5,141,760.38	5,237,263.27	(95,502.89)
SPECIAL EDUCATION - INSTRUCTION					
Behavioral Disabilities					
Salaries of Teachers	117,271.00	96,900.00	214,171.00	209,160.21	5,010.79
Other Salaries for Instruction	21,000.00	(1,200.00)	19,800.00	18,076.99	1,723.01
General Supplies	200.00	1,400.00	1,600.00		1,600.00
Textbooks	200.00	900.00	1,100.00	742.47	357.53
Total Behavioral Disabilities	138,671.00	98,000.00	236,671.00	227,979.67	8,691.33
Multiple Disabilties					
Salaries of Teachers	313,721.00	(149,300.00)	164,421.00	163,452.00	969.00
Other Salaries for Instruction	102,460.00	5,000.00	107,460.00	106,231.63	1,228.37
General Supplies	2,000.00		2,000.00		2,000.00
Textbooks	2,000.00		2,000.00		2,000.00
Total Multiple Disabilities	420,181.00	(144,300.00)	275,881.00	269,683.63	6,197.37

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Resource Room/Resource Center					
Salaries of Teachers	$ 1,000,275.00	$ (90,600.00)	$ 909,675.00	$ 909,050.79	$ 624.21
Other Salaries for Instruction	60,582.00	(2,000.00)	58,582.00	58,252.00	330.00
General Supplies	11,000.00	5,000.00	16,000.00	16,000.00	-
Textbooks	6,000.00	(2,400.00)	3,600.00	1,261.21	2,338.79
Total Resource Room/Resource Center	1,077,857.00	(90,000.00)	987,857.00	984,564.00	3,293.00
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,636,709.00	(136,300.00)	1,500,409.00	1,482,227.30	18,181.70
Bilingual Education - Instruction					
Salaries of Teachers	345,126.00	(62,900.00)	282,226.00	272,650.85	9,575.15
Other Salaries for Instruction	31,000.00	(11,000.00)	20,000.00	19,190.90	809.10
General Supplies	5,200.00		5,200.00	2,362.56	2,837.44
Textbooks	2,300.00		2,300.00	1,047.19	1,252.81
Total Bilingual Education - Instruction	383,626.00	(73,900.00)	309,726.00	295,251.50	14,474.50
School-Spon. Cocurricular Activities - Instruction					
Salaries	77,000.00	500.00	77,500.00	77,288.60	211.40
Other Objects	21,000.00	(340.45)	20,659.55	12,615.29	8,044.26
Total School-Spon. Cocurricular Activities - Inst.	98,000.00	159.55	98,159.55	89,903.89	8,255.66
School-Spon. Cocurricular Athletics - Instruction					
Salaries	215,140.00	43,200.00	258,340.00	258,216.36	123.64
Purchased Services (300-500 series)	33,000.00	(9,800.00)	23,200.00	23,140.08	59.92
Supplies & Materials	75,000.00	7,462.77	82,462.77	79,646.05	2,816.72
Other Objects	11,500.00	1,700.00	13,200.00	13,159.55	40.45
Total School-Spon. Cocurricular Athletics - Inst.	334,640.00	42,562.77	377,202.77	374,162.04	3,040.73
TOTAL OTHER INSTRUCTIONAL PROGRAMS-INSTRUCTION	816,266.00	(31,177.68)	785,088.32	759,317.43	25,770.89
TOTAL INSTRUCTION	7,106,392.00	320,865.70	7,427,257.70	7,478,808.00	(51,550.30)

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	$ -	$ 1,700.00	$ 1,700.00	$ 1,662.50	$ 37.50
Tuition to Other LEAs Within the State-Special	70,219.00	(43,200.00)	27,019.00	9,968.88	17,050.12
Tuition to County Voc. School Dist. - Regular	281,531.00	75,123.00	356,654.00	309,066.20	47,587.80
Tuition to County Voc. School Dist. - Special	26,680.00		26,680.00		26,680.00
Tuition to CSSD & Regional Day Schools	942,078.00	(343,337.00)	598,741.00	568,394.75	30,346.25
Tuition to Private Schools for the Disabled - Within State	133,719.00	153,000.00	286,719.00	235,568.55	51,150.45
Tuition - State Facilities	224,398.00		224,398.00	224,398.00	-
Total Undistributed Expenditures - Instruction	1,678,625.00	(156,714.00)	1,521,911.00	1,349,058.88	172,852.12
Undistributed Expend. - Attend. & Social Worker					
Salaries	104,713.00	1,800.00	106,513.00	106,504.74	8.26
Other Purchased Services (400-500 series)	500.00	(400.00)	100.00		100.00
Supplies & Materials	500.00	(100.00)	400.00		400.00
Total Undist. Expend. - Attend. & Social Worker	105,713.00	1,300.00	107,013.00	106,504.74	508.26
Undistributed Expend. - Health Services					
Salaries	135,465.00		135,465.00	135,043.60	421.40
Purchased Professional and Technical Services	27,714.00	1,924.87	29,638.87	28,171.57	1,467.30
Purchased Services (400-500 series)	8,500.00	1,100.00	9,600.00	9,569.73	30.27
Supplies & Materials	6,200.00	46.00	6,246.00	5,197.58	1,048.42
Other Objects	200.00		200.00	28.67	171.33
Total Undistributed Expend. - Health Services	178,079.00	3,070.87	181,149.87	178,011.15	3,138.72
Undist. Expend. - Other Support Serv. Students - Related Services					
Salaries	88,023.00	2,900.00	90,923.00	90,858.30	64.70
Supplies & Materials	1,500.00	(1,200.00)	300.00	286.75	13.25
Other Objects	250.00		250.00		250.00
Total Undist. Expend. - Other Support Services			-		-
Student - Related Services	89,773.00	1,700.00	91,473.00	91,145.05	327.95

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	$ 291,594.00	$ (55,100.00)	$ 236,494.00	$ 236,478.96	$ 15.04
Salaries of Secretarial and Clerical Assistants	131,869.00	(42,700.00)	89,169.00	89,095.53	73.47
Other Purchased Services (400-500 series)	1,000.00		1,000.00	930.00	70.00
Supplies & Materials	3,200.00	116.00	3,316.00	1,992.74	1,323.26
Total Undist. Expend. - Other Support Services Guidance	427,663.00	(97,684.00)	329,979.00	328,497.23	1,481.77
Undist. Expend. - Other Support Serv. Students - Child Study Teams					
Salaries of Other Professional Staff	362,645.00	10,100.00	372,745.00	371,875.13	869.87
Salaries of Secretarial and Clerical Assistants	45,388.00		45,388.00	43,414.80	1,973.20
Other Salaries	700.00		700.00	105.00	595.00
Purchased Professional Educational Services	500.00		500.00		500.00
Other Purchased Professional and Tech. Services	63,000.00	17,175.00	80,175.00	78,714.24	1,460.76
Misc. Purchased Serv. (400-500 series Other Than Resid. Costs)	1,000.00	156.18	- 1,156.18	990.41	- 165.77
Supplies & Materials	5,000.00	700.00	5,700.00	5,281.70	418.30
Other Objects	3,000.00	500.00	3,500.00	3,058.50	441.50
Total Undist. Expend. - Other Support Services Students - Child Study Teams	481,233.00	28,631.18	509,864.18	503,439.78	6,424.40
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	96,579.00	1,100.00	97,679.00	97,025.19	653.81
Salaries of Other Professional Staff	21,000.00	(18,900.00)	2,100.00	1,794.00	306.00
Salaries of Secr and Clerical Assist.	46,502.00	(3,000.00)	43,502.00	43,414.80	87.20
Other Salaries	500.00	8,900.00	9,400.00	9,395.31	4.69
Other Purchased Professional and Tech. Services	2,000.00	(1,900.00)	100.00		100.00
Other Purchased Services (400-500 series)	1,000.00	1,900.00	2,900.00	2,814.16	85.84
Supplies & Materials	3,000.00	3,896.65	6,896.65	847.00	6,049.65
Other Objects	12,000.00	22,400.00	34,400.00	33,581.78	818.22
Total Undist. Expend. - Improvement of Inst. Serv.	182,581.00	14,396.65	196,977.65	188,872.24	8,105.41

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	$ 115,220.00	$ 42,000.00	$ 157,220.00	$ 157,076.00	$ 144.00
Other Purchased Services (400-500 series)	1,400.00	100.00	1,500.00	1,449.00	51.00
Supplies & Materials	45,000.00	(22,100.00)	22,900.00	19,473.16	3,426.84
Other Objects	27,000.00	20,545.14	47,545.14	47,278.24	266.90
Total Undistributed Expenditures - Educational Media Services - School Library	188,620.00	40,545.14	229,165.14	225,276.40	3,888.74
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	139,130.00	16,557.37	155,687.37	155,641.21	46.16
Legal Services	14,421.00	20,500.00	34,921.00	34,460.88	460.12
Audit Services	38,500.00	(4,900.00)	33,600.00	33,385.00	215.00
Other Purchased Professional Services	22,000.00	(5,600.00)	16,400.00	16,232.91	167.09
Purchased Techncial Services	5,000.00	(4,000.00)	1,000.00	800.00	200.00
Communications/Telephone	31,000.00	17,384.00	48,384.00	46,083.54	2,300.46
Other Purchased Services (400-500 series)	13,000.00	2,777.00	15,777.00	15,662.15	114.85
General Supplies	3,500.00	(642.00)	2,858.00	2,673.79	184.21
Miscellaneous Expenditures		2,826.00	2,826.00	2,796.45	29.55
BOE Membership Dues and Fees	11,000.00	(1,026.00)	9,974.00	9,967.50	6.50
Total Undist Expend - General Administration	277,551.00	43,876.37	321,427.37	317,703.43	3,723.94
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistance Principals	378,026.00	(3,500.00)	374,526.00	373,987.97	538.03
Salaries of Secretarial and Clerical Assistants	201,779.00	50,600.00	252,379.00	223,423.92	28,955.08
Other Purchased Professional and Tech. Services	3,500.00		3,500.00	965.63	2,534.37
Other Purchased Services (400-500 series)	5,200.00	(1,800.00)	3,400.00	3,120.88	279.12
Supplies & Materials	36,200.00	(6,567.04)	29,632.96	28,490.81	1,142.15
Misc. Expenditures		7,200.00	7,200.00	6,451.09	748.91
Total Undistributed Expenditures - Support Services - School Administration	624,705.00	45,932.96	670,637.96	636,440.30	34,197.66

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undist. Expend. - Central Services					
Salaries	$ 253,626.00	$ 33,256.50	$ 286,882.50	$ 286,655.96	$ 226.54
Miscellaneous Purch. Services (400-500 Series)	500.00	200.00	700.00	640.65	59.35
Supplies & Materials	8,000.00	7,200.00	15,200.00	15,163.60	36.40
Miscellaneous Expenditures	1,000.00	5,300.00	6,300.00	6,253.94	46.06
Total Undist. Expend. - Central Services	263,126.00	45,956.50	309,082.50	308,714.15	368.35
Undist. Expend. - Required Maint. School Fac.					
Salaries	38,060.00	(8,300.00)	29,760.00	29,333.60	426.40
Cleaning, Repair and Maintenance Service	473,500.00	205,947.50	679,447.50	609,670.01	69,777.49
General Supplies	16,000.00	(550.48)	15,449.52	13,675.51	1,774.01
Total Undistributed Expenditures - Required Maintenance for School Facilities	527,560.00	197,097.02	724,657.02	652,679.12	71,977.90
Undist. Expend. - Other Oper. & Maint.of Plant					
Salaries	548,084.00	76,900.00	624,984.00	624,551.52	432.48
Purchased Professional and Technical Services	10,000.00	500.00	10,500.00	10,000.00	500.00
Cleaning, Repair and Maintenance Service	120,000.00	(64,300.00)	55,700.00	54,601.30	1,098.70
Rental of Land, Buildings & Other than Leases	84,000.00	(76,276.14)	7,723.86	7,577.09	146.77
Rental of Equipment		4,376.14	4,376.14	3,631.14	745.00
Other Purchased Property Services	30,000.00	7,653.46	37,653.46	33,150.44	4,503.02
Insurance	111,073.00	(22,900.00)	88,173.00	88,129.57	43.43
Miscellaneous Purchased Services	500.00	3,600.00	4,100.00	3,701.49	398.51
General Supplies	102,000.00	(2,536.33)	99,463.67	98,697.25	766.42
Energy (Electricity)	276,723.00	5,857.40	282,580.40	282,107.27	473.13
Energy (Natural Gas)	76,665.00	(19,956.87)	56,708.13	55,454.06	1,254.07
Other Objects	5,000.00		5,000.00	5,000.00	-
Total Undistributed Expenditures - Other Operations and Maintenance of Plant	1,364,045.00	(87,082.34)	1,276,962.66	1,266,601.13	10,361.53
Total Undistributed Expenditures Operations and Maintenance of Plant	1,891,605.00	110,014.68	2,001,619.68	1,919,280.25	82,339.43

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undist. Expend. - Student Transportation Serv.					
Contracted Services - (Bet. Home & School)	$ 119,900.00	$ (5,600.00)	$ 114,300.00	$ 100,767.66	$ 13,532.34
Contracted Services - (Other than Home & Sch)	97,500.00	(23,002.65)	74,497.35	60,035.99	14,461.36
Contr. Serv. - (Bet. Home & School) Joint Agrm.	84,000.00	(28,900.00)	55,100.00	43,587.05	11,512.95
Contr. Serv. - (Spc Ed. Students) - Joint Agrmt	362,520.00	(8,500.00)	354,020.00	264,734.26	89,285.74
Contr. Serv. - Aid in Lieu of Payments (NonPub)	900.00		900.00	900.00	-
Total Undistributed Expenditures - Student Transportation Services	664,820.00	(66,002.65)	598,817.35	470,024.96	128,792.39
Unallocated Benefits - Employee Benefits					
Social Security Contribution	235,500.00	(22,000.00)	213,500.00	213,420.38	79.62
Other Retirement Contributions - PERS	130,000.00	53,400.00	183,400.00	181,637.50	1,762.50
Workmen's Compensation	225,000.00	23,155.69	248,155.69	247,483.43	672.26
Unemployment Compensation		68,000.00	68,000.00	68,000.00	-
Health Benefits	2,563,072.00	(318,083.11)	2,244,988.89	2,130,140.99	114,847.90
Tuition Reimbursement	53,200.00	25,331.00	78,531.00	78,349.63	181.37
Other Employee Benefits	101,000.00	(40,000.00)	61,000.00	60,874.29	125.71
Total Unallocated Benefits	3,307,772.00	(210,196.42)	3,097,575.58	2,979,906.22	117,669.36
On-Behalf Contributions					
On-Behalf TPAF Contribution (non-bud)					
NCGI Premium	-	-	-	25,698.00	(25,698.00)
Post Retirement Medical Contributions			-	545,835.00	(545,835.00)
Reimbursed TPAF Social Security Cont.(non-bud)			-	595,503.66	(595,503.66)
Total On-Behalf Contributions	-	-	-	1,167,036.66	(1,167,036.66)
Total Personal Services - Employee Benefits	3,307,772.00	(210,196.42)	3,097,575.58	4,146,942.88	(1,049,367.30)
TOTAL UNDISTRIBUTED EXPENDITURES	10,361,866.00	(195,172.72)	10,166,693.28	10,769,911.44	(603,218.16)
TOTAL GENERAL CURRENT EXPENSE	17,468,258.00	125,692.98	17,593,950.98	18,248,719.44	(654,768.46)

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures:					
Instruction	$ -	$ 56,300.00	$ 56,300.00	$ -	$ 56,300.00
Total Equipment	-	56,300.00	56,300.00	-	56,300.00
Facilities Acquisition and Construction:					
Other Objects	3,646.00		3,646.00	3,646.00	-
Total Facilties Acquisition and Construction	3,646.00	-	3,646.00	3,646.00	-
TOTAL CAPITAL OUTLAY	3,646.00	56,300.00	59,946.00	3,646.00	56,300.00
TOTAL EXPENDITURES	17,471,904.00	181,992.98	17,653,896.98	18,252,365.44	(598,468.46)
EXCESS (DEFEICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (1,060,000.00)	$ (181,992.98)	$ (1,241,992.98)	$ (597,984.07)	$ 644,008.91
Other Financing Sources:					
Operating Transfers Out:					
Transfer to Food Service Fund	(25,000.00)	2,300.00	(22,700.00)	(15,716.89)	6,983.11
Total Other Financing Sources:	(25,000.00)	2,300.00	(22,700.00)	(15,716.89)	6,983.11
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,085,000.00)	(179,692.98)	(1,264,692.98)	(613,700.96)	650,992.02
Fund Balance July 1	2,841,722.60		2,841,722.60	2,841,722.60	
				-	
Fund Balance June 30	$ 1,756,722.60	$ (179,692.98)	$ 1,577,029.62	$ 2,228,021.64	$ 650,992.02

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				$ 18.00	
Maintenance Reserve				211,375.00	
Emergency Reserve				250,000.00	
Excess Surplus - Designated for Subsequent Year's Expenditures				778,010.00	
Assigned Fund Balance:					
Year-End Encumbrances				343,224.18	
Designated for Subsequent Year's Expenditures				344,651.00	
Unassigned Fund Balance					
General Fund				300,743.46	
				2,228,021.64	
Reconcilation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP Basis				342,124.00	
				$ 1,885,897.64	

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	$ 989.74	$ -	$ 989.74	$ 919.68	$ (70.06)
State Sources	482,740.08		482,740.08	482,740.08	-
Federal Sources	1,734,547.74	52,947.21	1,787,494.95	1,530,194.31	(257,300.64)
Total Revenues	2,218,277.56	52,947.21	2,271,224.77	2,013,854.07	(257,370.70)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	951,528.58		951,528.58	926,703.58	24,825.00
Other Salaries for Instruction	54,054.00		54,054.00	54,054.00	-
Purchased Professional and Technical Services	26,628.00		26,628.00	25,500.00	1,128.00
Other Purchased Services (400-500 series)	625,078.67	45,973.21	671,051.88	468,031.83	203,020.05
General Supplies	103,869.14	6,974.00	110,843.14	94,198.51	16,644.63
Textbooks			-	-	-
Other Objects			-	-	-
Total Instruction	1,761,158.39	52,947.21	1,814,105.60	1,568,487.92	245,617.68
Support Services:					
Salaries of Supervisors of Instruction			-	-	-
Salaries of Other Professional Staff	7,500.00		7,500.00	7,500.00	-
Other Salaries			-	-	-
Personal Services - Employee Benefits	221,035.54		221,035.54	219,395.00	1,640.54
Purchased Professional - Technical Services	34,337.63		34,337.63	31,638.63	2,699.00
Purchased Professional - Educational Services			-	-	-
Other Purchased Services (400-500 series)			-	-	-
Rentals	121,880.00		121,880.00	121,880.00	-
Contracted Services	2,000.00		2,000.00	2,000.00	-
Travel	1,500.00		1,500.00	1,500.00	-
Supplies & Materials	5,033.00		5,033.00	4,933.00	100.00
Other Objects			-	-	-
Total Support Services	393,286.17	-	393,286.17	388,846.63	4,439.54

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES(cont'd):					
Facilities Acquisitions and Construction Services:					
Buildings	$ -	$ -	$ -	$ -	$ -
Instructional Equipment	63,833.00		63,833.00	56,519.52	7,313.48
Total Facilities Acquisitions and Const. Services:	63,833.00	-	63,833.00	56,519.52	7,313.48
Total Outflows	2,218,277.56	52,947.21	2,271,224.77	2,013,854.07	257,370.70
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ 0.00

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WILDWOOD SCHOOL DISTRICT
Required Supplementary Information
Budget - to - GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2011

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

		General Fund		Special Revenue Fund
Sources / inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	$ 17,654,381.37	[C-2]	$ 2,013,854.07
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized				
Current Year				(117,096.12)
Prior Year				145,109.41
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the Subsequent year.		(342,124.00)		(38,610.00)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		462,221.20		37,837.80
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	$ 17,774,478.57	[B-2]	$ 2,041,095.16
Uses / outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	$ 18,252,365.44	[C-2]	$ 2,013,854.07
Difference - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				
Current Year				(117,096.12)
Prior Year				145,109.41
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	$ 18,252,365.44	[B-2]	$ 2,041,867.36

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND
DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1a)	Title IA	Carryover Title IA	ARRA Title IA	Title I SIA	ARRA Title I SIA	Title IIA	Totals 2011
REVENUES:								
State Sources	$ 482,740.08	$ -	$ -	$ -	$ -	$ -	$ -	$ 482,740.08
Federal Sources	561,396.11	708,214.45	24,750.00	4,713.23	30,000.00	24,386.00	176,734.52	1,530,194.31
Local sources	919.68							919.68
Total Revenues	1,045,055.87	708,214.45	24,750.00	4,713.23	30,000.00	24,386.00	176,734.52	2,013,854.07
EXPENDITURES:								
Instruction:								
Salaries of Teachers	266,707.08	494,522.50	24,750.00		25,789.00	20,000.00	94,935.00	926,703.58
Other Salaries for Instruction	54,054.00							54,054.00
Purchased Professional Technical Services	-	18,000.00					7,500.00	25,500.00
Other Purchased Services (400-500 series)	454,736.88	7,294.95					6,000.00	468,031.83
General Supplies	15,396.28	73,413.00		260.23	988.00	386.00	3,755.00	94,198.51
Textbooks	-							-
Other Objects	-							-
Total Instruction	790,894.24	593,230.45	24,750.00	260.23	26,777.00	20,386.00	112,190.00	1,568,487.92
Support Services:								
Salaries of Supervisors of Instruction	-							-
Salaries of Other Professional Staff	-						7,500.00	7,500.00
Other Salaries	-							-
Personal Services - Employee Benefits	97,379.00	97,673.00			1,973.00	4,000.00	18,370.00	219,395.00
Purchased Professional Technical Services	2,015.63	17,311.00		4,062.00	1,250.00		7,000.00	31,638.63
Purchased Professional - Educational Services	-							-
Other Purchased Services (400-500 series)	-							-
Rentals	121,880.00							121,880.00
Travel	1,500.00							1,500.00
Supplies & Materials	1,542.00			391.00			3,000.00	4,933.00
Other Objects	-							-
Contracted Services	2,000.00							2,000.00
Total Support Services	226,316.63	114,984.00	-	4,453.00	3,223.00	4,000.00	35,870.00	388,846.63
Facilities Acquisitions and Construction Services:								
Instructional Equipment	27,845.00	-	-	-	-	-	28,674.52	56,519.52
Total Facilities Acquisitions and Const. Services:	27,845.00	-	-	-	-	-	28,674.52	56,519.52
Total Outflows	1,045,055.87	708,214.45	24,750.00	4,713.23	30,000.00	24,386.00	176,734.52	2,013,854.07
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1b)	Title IID	Title III	Title IV	IDEA Part B	IDEA Preschool	ARRA IDEA Part B	Total Carried Forward
REVENUES:								
State Sources	$ 482,740.08	$ -	$ -	$ -	$ -	$ -	$ -	$ 482,740.08
Federal Sources	8,288.00	8,892.00	53,075.00	8,968.00	300,645.00	6,656.00	174,872.11	561,396.11
Local sources	919.68							919.68
Total Revenues	491,947.76	8,892.00	53,075.00	8,968.00	300,645.00	6,656.00	174,872.11	1,045,055.87
EXPENDITURES:								
Instruction:								
Salaries of Teachers	211,374.08	8,260.00	39,600.00	7,473.00				266,707.08
Other Salaries for Instruction	54,054.00							54,054.00
Purchased Professional Technical Services	-							-
Other Purchased Services (400-500 series)	8,288.00				300,645.00	6,656.00	139,147.88	454,736.88
General Supplies	3,019.68		4,013.00				8,363.60	15,396.28
Textbooks	-							-
Other Objects	-							-
Total Instruction	276,735.76	8,260.00	43,613.00	7,473.00	300,645.00	6,656.00	147,511.48	790,894.24
Support Services:								
Salaries of Supervisors of Instruction	-							-
Salaries of Other Professional Staff	-							-
Other Salaries	-							-
Personal Services - Employee Benefits	87,332.00	632.00	7,920.00	1,495.00				97,379.00
Purchased Professional Technical Services	-						2,015.63	2,015.63
Purchased Professional - Educational Services	-							-
Other Purchased Services (400-500 series)	-							-
Rentals	121,880.00							121,880.00
Travel	1,500.00							1,500.00
Supplies & Materials	-		1,542.00					1,542.00
Other Objects	-							-
Contracted Services	2,000.00							2,000.00
Total Support Services	212,712.00	632.00	9,462.00	1,495.00	-	-	2,015.63	226,316.63
Facilities Acquisitions and Construction Services:								
Instructional Equipment	2,500.00	-	0.00				25,345.00	27,845.00
Total Facilities Acquisitions and Const. Services:	2,500.00	-	-	-	-	-	25,345.00	27,845.00
Total Outflows	491,947.76	8,892.00	53,075.00	8,968.00	300,645.00	6,656.00	174,872.11	1,045,055.87
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	ARRA IDEA Preschool	Preschool Education	Cape Educational Fund					Total Carried Forward
REVENUES:								
State Sources	$ -	$ 482,740.08	$ -	$ -	$ -	$ -	$ -	$ 482,740.08
Federal Sources	8,288.00							8,288.00
Local Sources			919.68					919.68
Total Revenues	8,288.00	482,740.08	919.68	-	-	-	-	491,947.76
EXPENDITURES:								
Instruction:								
Salaries of Teachers		211,374.08						211,374.08
Other Salaries for Instruction		54,054.00						54,054.00
Purchased Professional Technical Services								-
Other Purchased Services (400-500 series)	8,288.00							8,288.00
General Supplies		2,100.00	919.68					3,019.68
Textbooks								-
Other Objects								-
Total Instruction	8,288.00	267,528.08	919.68	-	-	-	-	276,735.76
Support Services:								
Salaries of Supervisors of Instruction								-
Salaries of Other Professional Staff		-						-
Other Salaries								-
Personal Services - Employee Benefits		87,332.00						87,332.00
Purchased Professional Technical Services								-
Purchased Professional - Educational Services								-
Other Purchased Services (400-500 series)								-
Rentals		121,880.00						121,880.00
Travel		1,500.00						1,500.00
Supplies & Materials								-
Other Objects								-
Contracted Services		2,000.00						2,000.00
Total Support Services	-	212,712.00	-	-	-	-	-	212,712.00
Facilities Acquisitions and Construction Services:								
Instructional Equipment		2,500.00						2,500.00
Total Facilities Acquisitions and Const. Services:	-	2,500.00	-	-	-	-	-	2,500.00
Total Outflows	8,288.00	482,740.08	919.68	-	-	-	-	491,947.76
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	$ 211,374.08	$ 211,374.08	$ -
Other Salaries for Instruction	54,054.00	54,054.00	-
General Supplies	2,100.00	2,100.00	-
Total Instruction	267,528.08	267,528.08	-
Support Services:			
Salaries of Other Professional Staff			-
Personal Services - Employee Benefits	87,332.00	87,332.00	-
Rental	121,880.00	121,880.00	-
Contr. Trans Serv (Field Trips)	2,000.00	2,000.00	-
Travel	1,500.00	1,500.00	-
Total Support Services	212,712.00	212,712.00	-
Facilities Acquisition and Construction Services			
Instructional Equipment	2,500.00	2,500.00	-
Total Facilities Acquisition and Construction Ser.	2,500.00	2,500.00	-
Total Expenditures	$ 482,740.08	$ 482,740.08	$ -

CALCULATION OF BUDGET & CARRYOVER

Total revised 2010-11 Preschool Education Aid	$ 386,100.00
Add: Actual ECPA/PEA Carryover (June 30, 2010)	96,640.08
Add: Budgeted Transfer from the General Fund 2010-11	-
Total Preschool Education Aid Funds Available for 2010-11 Budget	482,740.08
Less: 2010-2011 Budgeted Preschool Education Aid (Prior year budget carryover)	(482,740.08)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2011	-
Add: June 30, 2011 Unexpended Preschool Education Aid	-
2010-11 Carryover-Preschool Education Aid Program	$ -

FIDUCIARY FUNDS
DETAIL STATEMENTS

Trust funds are used to account for gifts and bequests to the school district for a specific purpose.

Unemployment Fund - This trust fund is an expendable trust fund and limits expenses set aside for this purpose in current and prior budgets and contributions from employee withholding in prior years.

Agency funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund - This agency fund is used to account for student funds held at the schools.

Payroll Fund - This agency fund is used to account for the payroll transactions of the school district.

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Assets
For the Year Ended June 30, 2011

	Unemployment Compensation Trust	Private Purpose Trust	Agency Funds	Totals
ASSETS				
Cash and Cash Equivalents	$ 1,394.72	$ 156,304.22	$ 73,478.70	$ 231,177.64
Overpaid Payroll Deductions			2,479.86	2,479.86
Total Assets	1,394.72	156,304.22	75,958.56	233,657.50
LIABILITIES				
Accounts Payable	15,400.75		-	15,400.75
Interfunds Payable			13,411.84	13,411.84
Due to Student Groups			62,546.72	62,546.72
Total Liabilities	15,400.75	-	75,958.56	91,359.31
NET ASSETS				
Deficit in Trust for Unemployment Claims and Other Purposes	$ (14,006.03)			(14,006.03)
Reserve for Scholarships		$ 156,304.22		156,304.22
Total Net Assets				142,298.19
Total Liabilities and Net Assets				$ 233,657.50

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2011

	Unemployment Compensation Trust	Private Purpose Trust	Totals
ADDITIONS			
Contributions:			
Plan Member	$ 15,998.48	$	$ 15,998.48
Board Contribution	68,000.00		68,000.00
Other		30,100.00	30,100.00
Total Contributions	83,998.48	30,100.00	114,098.48
Investments Earnings:			
Interest	73.74	663.48	737.22
Net Investment Earnings	73.74	663.48	737.22
Total Additions	84,072.22	30,763.48	114,835.70
Deductions			
Unemployment Claims	103,605.50		103,605.50
Scholarships Awarded		22,101.60	22,101.60
Total Deductions	103,605.50	22,101.60	125,707.10
Change in Net Assets	(19,533.28)	8,661.88	(10,871.40)
Net Assets - Beginning of the Year	5,527.25	147,642.34	153,169.59
Net Assets (Deficit) - End of the Year	$ (14,006.03)	$ 156,304.22	$ 142,298.19

CITY OF WILDWOOD SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
Student Activity Account	$ 54,161.39	$ 65,908.57	$ 57,523.24	$ 62,546.72
Total Assets	$ 47,401.84	$ 65,908.57	$ 57,523.24	$ 62,546.72

CITY OF WILDWOOD SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
ASSETS:				
Cash and Cash Equivalents	$ 25,702.46	$ 11,586,127.78	$ 11,600,898.26	$ 10,931.98
Overpaid Payroll Deductions		2,479.86		2,479.86
Total Assets	$ 25,702.46	$ 11,588,607.64	$ 11,600,898.26	$ 13,411.84
LIABILITIES:				
Payroll Deductions & Withholding	$ 22,335.46	$ 4,802,021.36	4,824,356.82	$ -
Net Payroll Payable	-	6,771,994.25	6,771,994.25	-
Interfunds Payable		13,411.84		13,411.84
Accounts Payable	3,367.00	1,180.19	4,547.19	-
Total Liabilities	$ 25,702.46	$ 11,588,607.64	$ 11,600,898.26	$ 13,411.84

LONG-TERM DEBT SCHEDULES

CITY OF WILDWOOD SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$	$	$ -	$	$ -
Miscellaneous			-		-
Total - Local Sources	-	-	-	-	-
State Sources:					
Debt Service Aid Type II			-		-
Total - State Sources	-	-	-	-	-
Total Revenues	-	-	-	-	-
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds		-	-		-
Redemption of Principal		-	-		-
Total Regular Debt Service	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources(Uses):					
Operating Transfers In:					
Transfer from General Fund			-		-
Total Other Financing Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	-	-	-	-	-
Fund Balance (Deficit), July 1	(2,844.62)		(2,844.62)	(2,844.62)	
Fund Balance (Deficit), June 30	$ (2,844.62)	$ -	$ (2,844.62)	$ (2,844.62)	$ -

Statistical Section

CITY OF WILDWOOD SCHOOL DISTRICT
Net Assets by Component,
Last Nine Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	$ 4,350,123.69	$ 4,315,128.53	$ 4,258,005.47	$ 4,171,611.94	$ 4,924,965.82	$ 5,261,447.54	$ 5,253,903.08	$ 5,096,579.43	$ 4,928,543.38
Restricted	705,387.04	1,043,283.81	507,492.79	1,078,772.43	1,066,167.96	1,108,693.38	1,813,972.98	2,185,902.30	1,579,782.56
Unrestricted	54,929.48	(333,666.54)	(421,323.93)	(330,501.86)	(332,047.31)	(79,309.42)	(109,553.37)	96,566.68	174,105.46
Total governmental activities net assets	$ 5,110,440.21	$ 5,024,745.80	$ 4,344,174.33	$ 4,919,882.51	$ 5,659,086.47	$ 6,290,831.50	$ 6,958,322.69	$ 7,379,048.41	$ 6,682,431.40
Business-type activities									
Invested in capital assets, net of related debt	$ 25,836.52	$ 29,662.84	$ 27,521.38	$ 35,602.96	$ 31,058.81	$ 29,779.73	$ 25,682.56	$ 22,136.51	$ 18,674.95
Restricted	-		-						
Unrestricted	1,632.45	(8,499.66)	61,502.01	101,271.07	49,658.67	102,534.76	101,268.33	107,973.30	69,419.29
Total business-type activities net assets	$ 27,468.97	$ 21,163.18	$ 89,023.39	$ 136,874.03	$ 80,717.48	$ 132,314.49	$ 126,950.89	$ 130,109.81	$ 88,094.24
District-wide									
Invested in capital assets, net of related debt	$ 4,375,960.21	$ 4,344,791.37	$ 4,285,526.85	$ 4,207,214.90	$ 4,956,024.63	$ 5,291,227.27	$ 5,279,585.64	$ 5,118,715.94	$ 4,947,218.33
Restricted	705,387.04	1,043,283.81	507,492.79	1,078,772.43	1,066,167.96	1,108,693.38	1,813,972.98	2,185,902.30	1,579,782.56
Unrestricted	56,561.93	(342,166.20)	(359,821.92)	(229,230.79)	(282,388.64)	23,225.34	(8,285.04)	204,539.98	243,524.75
Total district net assets	$ 5,137,909.18	$ 5,045,908.98	$ 4,433,197.72	$ 5,056,756.54	$ 5,739,803.95	$ 6,423,145.99	$ 7,085,273.58	$ 7,509,158.22	$ 6,770,525.64

Source: CAFR Schedule A-1

CITY OF WILDWOOD SCHOOL DISTRICT
Changes in Net Assets,
Last Nine Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities:									
Instruction:									
Regular	$ 5,787,188.92	$ 6,603,422.93	$ 7,106,246.11	$ 7,659,391.16	$ 8,411,728.47	$ 8,769,820.59	$ 8,797,550.80	$ 8,779,754.28	$ 7,184,680.12
Special education	1,395,968.98	1,683,008.55	1,921,777.90	1,779,621.24	2,270,594.06	2,324,999.04	2,150,394.63	2,037,037.43	3,754,288.59
Other instruction	639,061.93	638,449.39	831,425.79	821,161.52	929,620.80	1,050,032.51	1,060,213.77	1,011,373.14	1,029,464.98
Support Services:									
Tuition	1,391,935.19	1,456,384.34	1,194,000.50	1,158,304.03	1,366,452.01	1,255,429.08	1,306,645.39	1,345,013.34	1,349,058.88
Student & instruction related services	2,264,731.19	2,326,441.97	3,334,178.89	2,861,500.08	3,128,472.55	3,119,775.88	2,453,771.10	2,872,868.30	2,560,706.74
School administrative services	1,012,066.27	1,081,753.32	729,477.29	834,323.32	705,112.22	689,534.00	748,529.87	846,825.85	816,879.24
Business administrative services	1,252,328.88	1,142,223.95	822,957.49	717,880.49	575,559.00	658,888.18	670,274.73	632,298.82	893,697.34
Plant operations and maintenance	1,428,301.15	1,604,383.42	1,416,014.83	1,508,110.45	1,638,545.47	1,606,399.91	1,867,331.00	2,088,263.25	2,381,713.96
Pupil transportation	421,973.14	411,806.31	454,135.93	479,227.99	519,084.91	570,140.56	588,111.25	529,180.46	470,024.96
Special schools									
Charter Schools			9,241.00		16,352.00				
Interest on long-term debt	28,613.40	25,163.40	21,355.25	17,330.93	13,305.21	8,941.20	4,111.77	99.18	
Unallocated depreciation	-	-	189,575.17	185,902.97	185,824.08	230,769.55	243,259.96	1,600.00	1,600.00
Total governmental activities expenses	15,622,169.05	16,973,037.58	18,030,386.15	18,022,754.18	19,760,650.78	20,284,730.50	19,890,194.27	20,144,314.05	20,442,114.81
Business-type activities:									
Food service	686,694.47	749,632.21	704,523.80	815,530.86	831,223.44	939,346.98	934,952.28	896,120.88	915,972.62
Child care									
Other									
Total business-type activities expenses	686,694.47	749,632.21	704,523.80	815,530.86	831,223.44	939,346.98	934,952.28	896,120.88	915,972.62
Total district expenses	$ 16,308,863.52	$ 17,722,669.79	$ 18,734,909.95	$ 18,838,285.04	$ 20,591,874.22	$ 21,224,077.48	$ 20,825,146.55	$ 21,040,434.93	$ 21,358,087.43
Program Revenues									
Governmental activities:									
Charges for services									
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 303,000.00
Operating grants and contributions	4,334,939.09	4,750,296.52	5,182,957.24	5,035,763.16	5,531,570.43	5,705,777.11	4,099,038.21	3,629,606.15	3,661,528.38
Capital grants and contributions	-	250,899.14	-	20,925.18	15,500.22	-	-	-	-
Total governmental activities program revenues	4,334,939.09	5,001,195.66	5,182,957.24	5,056,688.34	5,547,070.65	5,705,777.11	4,099,038.21	3,629,606.15	3,964,528.38
Business-type activities:									
Charges for services:									
Food service	175,676.46	173,149.49	216,019.45	216,028.82	219,673.46	316,631.10	292,331.77	244,031.59	206,981.09
Other	-	-	-	-	-				
Operating grants and contributions	472,566.65	477,624.81	470,654.28	552,254.92	530,029.45	618,352.42	595,139.99	635,113.05	650,903.19
Capital grants and contributions									
Total business-type activities program revenue	648,243.11	650,774.30	686,673.73	768,283.74	749,702.91	934,983.52	887,471.76	879,144.64	857,884.28
Total district program revenue	$ 4,983,182.20	$ 5,651,969.96	$ 5,869,630.97	$ 5,824,972.08	$ 6,296,773.56	$ 6,640,760.63	$ 4,986,509.97	$ 4,508,750.79	$ 4,822,412.66
Net (Expense)/Revenue									
Governmental activities	$ (11,287,229.96)	$ (11,971,841.92)	$ (12,847,428.91)	$ (12,966,065.84)	$ (14,213,580.13)	$ (14,578,953.39)	$ (15,791,156.06)	$ (16,514,707.90)	$ (16,477,586.43)
Business-type activities	(38,451.36)	(98,857.91)	(17,850.07)	(47,247.12)	(81,520.53)	(4,363.46)	(47,480.52)	(16,976.24)	(58,088.34)
Total district-wide net expense	$ (11,325,681.32)	$ (12,070,699.83)	$ (12,865,278.98)	$ (13,013,312.96)	$ (14,295,100.66)	$ (14,583,316.85)	$ (15,838,636.58)	$ (16,531,684.14)	$ (16,535,674.77)

CITY OF WILDWOOD SCHOOL DISTRICT
Changes in Net Assets,
Last Nine Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Property taxes levied for general purposes, net	$ 6,275,109.00	$ 7,035,414.00	$ 6,904,240.00	$ 8,007,087.00	$ 9,256,098.00	$ 9,339,262.00	$ 9,339,262.00	$ 9,339,262.00	$ 9,339,262.00
Taxes levied for debt service	32,103.00	2,995.00	69,050.00	66,058.00	63,065.00	67,401.00	63,980.00	31,140.00	-
Unrestricted grants and contributions	3,930,278.34	3,374,967.30	3,646,025.65	3,544,139.66	3,513,141.44	3,689,204.24	5,008,246.45	4,638,351.65	4,476,550.69
Tuition	1,585,348.00	1,676,730.00	1,605,318.00	1,949,318.00	2,012,190.00	2,042,316.50	1,926,207.35	2,569,342.00	1,934,993.00
Payments in lieu of taxes	-	-	-						
Investment earnings	24,269.17	17,267.45	37,016.79	78,895.38	128,721.53	82,938.85	22,794.06	14,139.37	16,656.92
Miscellaneous income	12,037.98	3,985.83	9,152.12	20,421.54	9,666.16	46,197.32	140,796.57	365,456.95	83,582.74
Transfers	(250,611.92)	(93,000.00)	(85,500.00)	(100,000.00)	(25,000.00)	(55,770.76)	(41,880.68)	(20,000.00)	(15,716.89)
Loss on Disposal of Fixed Assets	-	(132,212.07)	(18,445.12)	(24,145.56)	(5,098.04)	(860.73)	(748.50)	(2,258.35)	(54,359.04)
Total governmental activities	11,608,533.57	11,886,147.51	12,166,857.44	13,541,774.02	14,952,784.09	15,210,688.42	16,458,657.25	16,935,433.62	15,780,969.42
Business-type activities:									
Investment earnings	430.42	202.77	210.28	610.53	363.98	243.95	236.24	135.16	355.88
Transfers	-	93,000.00	85,500.00	100,000.00	25,000.00	55,770.76	41,880.68	20,000.00	15,716.89
Special Item-Loss on Disposal of Fixed Assets		(650.65)		(5,512.77)		(54.24)			
Total business-type activities	430.42	92,552.12	85,710.28	95,097.76	25,363.98	55,960.47	42,116.92	20,135.16	16,072.77
Total district-wide	$ 11,608,963.99	$ 11,978,699.63	$ 12,252,567.72	$ 13,636,871.78	$ 14,978,148.07	$ 15,266,648.89	$ 16,500,774.17	$ 16,955,568.78	$ 15,797,042.19
Changes in Net Assets									
Governmental activities	$ 321,303.61	$ (85,694.41)	$ (680,571.47)	$ 575,708.18	$ 739,203.96	$ 631,735.03	$ 667,501.19	$ 420,725.72	$ (696,617.01)
Business-type activities	(38,020.94)	(6,305.79)	67,860.21	47,850.64	(56,156.55)	51,597.01	(5,363.60)	3,158.92	(42,015.57)
Total district	$ 283,282.67	$ (92,000.20)	$ (612,711.26)	$ 623,558.82	$ 683,047.41	$ 683,332.04	$ 662,137.59	$ 423,884.64	$ (738,632.58)

Source: CAFR Schedule A-2

CITY OF WILDWOOD SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Nine Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund									
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,239,403.00
Committed									-
Assigned									687,875.18
Unassigned									(41,380.54)
Reserved	654,658.99	740,394.89	514,890.79	1,084,669.36	1,070,563.85	1,111,373.05	1,814,726.42	2,188,746.92	-
Unreserved	661,259.86	535,784.60	177,291.35	270,529.38	180,045.97	213,423.76	22,805.03	190,754.48	
Total general fund	$1,315,918.85	$1,276,179.49	$ 692,182.14	$ 1,355,198.74	$ 1,250,609.82	$ 1,324,796.81	$ 1,837,531.45	$ 2,379,501.40	$ 1,885,897.64
All Other Govemmental Funds									
Restricted									
Reported in Debt Service Fund									(2,844.62)
Unassigned									
Reported in Special Revenue Fund									(38,610.00)
Reserved	-	-	-	-	-	-	-	-	-
Unreserved, reported in:									
Special revenue fund	(44,541.72)	(46,271.61)	(48,234.95)	(49,013.80)	(58,920.95)	(58,391.74)	(36,610.90)	(37,837.80)	-
Capital projects fund	22,824.28	-	-	-	-	-			
Debt service fund	38,089.37	-	-	-	0.75	0.75	1.25	(2,844.62)	
Permanent fund	-	-	-	-	-	-			
Total all other govemmental funds	$ 16,371.93	$ (46,271.61)	$ (48,234.95)	$ (49,013.80)	$ (58,920.20)	$ (58,390.99)	$ (36,609.65)	$ (40,682.42)	$ (41,454.62)

Source: CAFR Schedule B-1

CITY OF WILDWOOD SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

Exhibit J-4

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Tax levy	$ 5,925,193.00	$ 6,307,212.00	$ 7,038,409.00	$ 6,973,290.00	$ 8,073,145.00	$ 9,319,163.00	$ 9,406,663.00	$ 9,403,242.00	$ 9,370,402.00	$ 9,339,262.00
Tuition charges	1,285,358.00	1,585,348.00	1,676,730.00	1,605,318.00	1,949,318.00	2,012,190.00	2,042,316.50	1,926,207.35	2,569,342.00	2,237,993.00
Interest earnings	47,017.14	-			-	-				
Miscellaneous	11,773.60	50,464.27	136,620.92	80,659.45	120,742.02	138,387.69	129,136.17	163,590.61	379,596.33	101,159.34
State sources	4,546,923.79	6,600,130.61	6,535,956.08	7,013,317.87	6,908,558.20	7,261,982.15	7,851,703.13	7,323,089.86	6,662,852.95	6,572,383.89
Federal sources		1,650,929.70	1,724,839.24	1,781,174.48	1,670,844.70	1,798,229.94	1,543,278.22	1,784,194.82	1,605,104.84	1,564,775.50
Total revenue	11,816,265.53	16,194,084.58	17,112,555.24	17,453,759.80	18,722,607.92	20,529,952.78	20,973,097.02	20,600,324.64	20,587,298.12	19,815,573.73
Expenditures										
Instruction										
Regular Instruction	3,162,304.14	4,946,316.06	5,379,665.55	6,176,131.25	6,159,657.88	6,460,339.33	7,059,515.31	7,163,811.26	6,944,794.76	6,878,801.74
Special education instruction	957,169.00	1,034,107.84	1,228,195.56	1,243,992.16	1,266,018.76	1,533,229.17	1,635,360.36	1,574,137.34	1,504,938.93	1,482,227.30
Other special instruction	124,810.30				-	-				
Other instruction	378,167.13	497,989.10	499,112.82	584,203.95	618,490.63	684,271.25	779,020.57	818,667.31	772,587.21	759,317.43
Support Services:										
Tuition	1,319,696.32	1,391,935.19	1,456,384.34	1,194,000.50	1,158,304.03	1,366,452.01	1,255,429.08	1,306,645.39	1,345,013.34	1,349,058.88
Student & instruction related services	1,178,861.32	1,878,883.88	1,929,187.06	2,565,095.45	2,347,033.61	2,471,386.13	2,499,373.86	1,930,452.60	2,257,226.48	1,965,555.96
General and Business admin. services	618,670.81	1,057,366.29	987,117.75	616,437.88	598,926.94	514,266.09	517,826.80	533,817.33	500,566.86	626,417.58
School Administrative services	681,755.81	752,109.50	811,325.30	493,642.40	581,398.69	495,485.09	504,901.65	557,133.51	628,244.51	636,440.30
Plant operations and maintenance	917,107.17	1,125,153.30	1,246,617.86	1,152,962.62	1,134,995.08	2,226,448.88	1,812,434.32	1,774,386.39	1,625,238.04	1,919,280.25
Pupil transportation	358,624.92	421,973.14	411,806.31	454,135.93	479,227.99	519,084.91	570,140.56	588,111.25	529,180.46	470,024.96
Unallocated employee benefits	1,907,299.00	2,275,635.15	2,833,020.45	3,325,144.17	3,493,948.60	4,231,826.77	4,097,856.52	3,688,228.10	3,842,592.66	4,146,942.88
Charter Schools		-	-	9,241.00	-	16,352.00				
Capital outlay	12,314.12	816,197.62	253,055.14	46,376.93	33,535.96	15,500.22	20,094.36	2,500.00	33,163.82	60,165.52
Debt service:										
Principal		60,000.00	60,000.00	70,000.00	70,000.00	70,000.00	80,000.00	80,000.00	45,000.00	
Interest and other charges		29,900.00	26,450.00	22,856.25	18,832.00	14,806.25	10,656.67	6,037.50	853.87	
Total expenditures	11,616,780.04	16,287,567.07	17,121,938.14	17,954,220.49	17,960,370.17	20,619,448.10	20,842,610.06	20,023,927.98	20,029,400.94	20,294,232.80
Excess (Deficiency) of revenues over (under) expenditures	199,485.49	(93,482.49)	(9,382.90)	(500,460.69)	762,237.75	(89,495.32)	130,486.96	576,396.66	557,897.18	(478,659.07)
Other Financing sources (uses)										
Capital leases (non-budgeted)										
Transfers in	(20,000.00)	35,747.77	23,202.63	0.25	-	-	-	-	-	-
Transfers out		(35,747.77)	(116,202.63)	(85,500.25)	(100,000.00)	(25,000.00)	(55,770.76)	(41,880.68)	(20,000.00)	(15,716.89)
Total other financing sources (uses)	(20,000.00)	-	(93,000.00)	(85,500.00)	(100,000.00)	(25,000.00)	(55,770.76)	(41,880.68)	(20,000.00)	(15,716.89)
Net change in fund balances	$ 179,485.49	$ (93,482.49)	$ (102,382.90)	$ (585,960.69)	$ 662,237.75	$ (114,495.32)	$ 74,716.20	$ 534,515.98	$ 537,897.18	$ (494,375.96)
Debt service as a percentage of noncapital expenditures	0.00%	0.58%	0.51%	0.52%	0.50%	0.41%	0.44%	0.43%	0.23%	0.00%

CITY OF WILDWOOD SCHOOL DISTRICT **Exhibit J-5**
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Rentals	Miscellaneous	Totals
2002	$ 47,017.14	$ 1,285,358.00	$ -	$ 11,773.60	$ 1,344,148.74
2003	24,269.17	1,585,348.00	2,800.00	8,239.21	1,620,656.38
2004	17,133.18	1,676,730.00	1,680.00	2,305.83	1,697,849.01
2005	37,016.79	1,605,318.00	2,770.00	6,382.62	1,651,487.41
2006	78,895.38	1,949,318.00	-	20,421.54	2,048,634.92
2007	128,721.53	2,012,190.00	-	9,666.16	2,150,577.69
2008	82,938.85	2,042,316.50	-	46,178.65	2,171,434.00
2009	22,794.06	1,926,207.35	-	140,796.55	2,089,797.96
2010	14,139.37	2,569,342.00		365,456.95	2,948,938.32
2011	16,656.92	2,237,993.00		83,582.74	2,338,232.66

Source: District Records

CITY OF WILDWOOD SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Less Tax-exempt Property	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	Estimated County Equalized Value
2002	$ 14,552,400	$ 217,011,073			$ 151,707,500	$ 2,545,100	$ 103,161,900	$ 488,977,973		$ 2,838,058	$ 491,816,031	$ 1.250	$ 595,635,256
2003	18,054,300	231,868,900			151,204,600	2,670,100	103,004,200	506,802,100		2,735,829	509,537,929	1.250	549,597,506
2004	18,233,000	266,595,900			157,761,100	2,682,600	97,419,800	542,692,400		1,984,223	544,676,623	1.311	893,120,691
2005	89,726,800	886,886,000			533,997,600	5,766,900	208,113,000	1,724,490,300		3,060,581	1,727,550,881	0.436	1,297,191,442
2006	104,162,200	954,629,500			514,267,500	5,766,900	184,068,700	1,762,894,800		3,056,891	1,765,951,691	0.493	1,714,849,185
2007	79,387,600	1,070,892,300			514,218,900	5,766,900	188,766,600	1,859,032,300		2,716,549	1,861,748,849	0.503	2,095,863,571
2008	67,647,700	1,104,334,100			469,532,400	5,766,900	188,255,400	1,835,536,500		2,747,832	1,838,284,332	0.513	2,077,461,718
2009	65,926,000	1,116,327,400			463,681,800	5,766,900	183,648,100	1,835,350,200		2,656,589	1,838,006,789	0.510	2,043,353,670
2010	62,130,800	1,086,185,600			445,245,400	5,766,900	176,605,800	1,775,934,500		2,897,752	1,778,832,252	0.526	1,828,197,227
2011	49,359,200	972,548,500			393,943,000	5,016,900	149,840,100	1,570,707,700		2,866,754	1,573,574,454	0.595	1,513,899,639

Source: County Abstract of Ratables & Municipal Tax Assessor

CITY OF WILDWOOD SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per $100 of assessed value)

Exhibit J-7

Fiscal Year Ended June 30,	CITY OF WILDWOOD SCHOOL DISTRICT			Overlapping Rates					Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	County General	County Open Space	County Other	Other	Municipal Local Purpose	
2002	1.250		1.250	0.368	0.012	0.033		1.485	3.148
2003	1.250		1.250	0.353	0.013	0.037		1.537	3.190
2004	1.311		1.311	0.408	0.017	0.049		1.666	3.451
2005	0.436		0.436	0.156	0.008	0.023		0.797	1.420
2006	0.493		0.493	0.166	0.010	0.029		0.812	1.510
2007	0.503		0.503	0.171	0.012	0.033		0.831	1.550
2008	0.513		0.513	0.171	0.012	0.033		0.928	1.657
2009	0.510		0.510	0.168	0.011	0.031		1.111	1.831
2010	0.526		0.526	0.176	0.011	0.030		1.089	1.832
2011	0.595		0.595	0.174	0.010	0.028		1.088	1.895

Source: District Records and Municipal Tax Collector

CITY OF WILDWOOD SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago

Exhibit J-8

Taxpayer	2010 Taxable Assessed Value	2010 Rank	2010 % of Total District Net Assessed Value	2002 Taxable Assessed Value	2002 Rank	2002 % of Total District Net Assessed Value
The Morey Organization	$ 9,210,000.00	1	0.52%	$ 4,900,000.00	2	1.00%
Mariner's Landing, Inc				8,269,500.00	1	1.68%
Bolero Corporation	8,255,600.00	2	0.46%			
AMGC Corp.	5,744,700.00	3	0.32%			
Calmsea Properties, LLC	5,452,400.00	4	0.31%			
Waltrust Properties, Inc.	5,265,000.00	5	0.30%			
BMF Investments, LLC	5,074,100.00	6	0.29%			
Wild Waves, LLC.	4,908,500.00	7	0.28%			
Nickels Midway Pier LLC				4,100,000.00	3	0.83%
SAMAX, Inc.	4,634,200.00	8	0.26%			
Catdaddies II, LLC	4,539,800.00	9	0.26%			
Schwartz, M & P	4,503,800.00	10	0.25%	3,350,000.00	4	0.68%
Boardwalk Arcade				3,245,000.00	5	0.66%
Strand Corp				3,040,000.00	6	0.62%
Nathan Botton				2,880,000.00	7	0.59%
Bell Atlantic				2,838,058.00	8	0.58%
2701 Associates, LLC				2,675,000.00	9	0.54%
AMCC Corp.				2,495,000.00	10	0.51%
Totals	$ 57,588,100		3.24%	$ 37,792,558		7.68%
	District Assessed Value		$ 1,778,832,252			$ 491,816,031

Source: District CAFR & Municipal Tax Assessor

CITY OF WILDWOOD SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	$ 5,995,870.00	$ 5,995,870.00	100%	$ -
2003	6,307,212.00	6,307,212.00	100%	-
2004	7,038,409.00	7,038,409.00	100%	-
2005	6,973,290.00	6,973,290.00	100%	-
2006	8,073,145.00	7,400,383.00	92%	672,762.00
2007	9,319,163.00	9,319,163.00	100%	-
2008	9,406,663.00	9,406,663.00	100%	-
2009	9,403,242.00	9,403,242.00	100%	-
2010	9,370,402.00	9,370,402.00	100%	
2011	9,339,262.00	9,339,262.00	100%	

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

CITY OF WILDWOOD SCHOOL DISTRICT
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities			
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District	Percentage of Personal Income	Per Capita Personal Income
2002			$ 535,000.00			$ 535,000.00	6.74%	$ 36,053.00
2003			475,000.00			475,000.00	7.68%	36,492.00
2004			415,000.00			415,000.00	9.33%	38,740.00
2005			345,000.00			345,000.00	11.69%	40,316.00
2006			275,000.00			275,000.00	15.39%	42,322.00
2007			205,000.00			205,000.00	21.74%	44,575.00
2008			125,000.00			125,000.00	36.85%	46,067.00
2009			45,000.00			45,000.00	102.95%	46,329.00
2010			-			-	*	*
2011			-			-	*	*

* Accurate Information is not available

Source: District CAFR Schedules I-1, I-2

CITY OF WILDWOOD SCHOOL DISTRICT **Exhibit J-11**

Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Percentage of Actual Taxable Value of Property	Per Capita Personal Income
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2002	-	-	-	0.00%	$ 36,053.00
2003	-	-	-	0.00%	36,492.00
2004	-	-	-	0.00%	38,740.00
2005	-	-	-	0.00%	40,316.00
2006	-	-	-	0.00%	42,322.00
2007	-	-	-	0.00%	44,575.00
2008	-	-	-	0.00%	46,067.00
2009	-	-	-	0.00%	46,329.00
2010	-	-	-	0.00%	*
2011	-	-	-	0.00%	*

* Accurate Information is not available

CITY OF WILDWOOD SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2010

Exhibit J-12

Governmental Unit	Bonded Debt and Loans Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
City of Wildwood	$ 20,737,872.00	100.00%	$ 20,737,872.00
Other Debt			
City of Wildwood Water and Sewer Utilities	20,858,434.00	100.00%	20,858,434.00
County of Cape May	32,134,000.00	2.93%	941,526.20
Cape May County MUA	99,268,094.00	2.93%	2,908,555.15
Cape May Bridge Commission	15,190,000.00	2.93%	445,067.00
Subtotal, Overlapping Debt			4,295,148.35
City of Wildwood School District Direct Debt			-
Total Direct and Overlapping Debt			$ 25,033,020.35

Sources:
County and District Records

CITY OF WILDWOOD SCHOOL DISTRICT
Legal Debt Margin Information,
Last Ten Fiscal Years

Exhibit J-13

Equalized valuation basis	
2010	$ 1,691,688,417
2009	1,869,753,667
2008	2,022,852,656
	$ 5,584,294,740
Average equalized valuation of taxable property	$ 1,861,431,580
Debt limit (4% of average)	74,457,263
Net bonded school debt	-
Legal debt margin	$ 74,457,263

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	$ 20,313,478	$ 16,247,203	$ 25,933,781	$ 34,373,913	$ 48,805,773	$ 64,068,140	$ 76,324,180	$ 80,967,714	$ 79,658,526	$ 74,457,263
Total net debt applicable to limit										
Legal debt margin	$ 20,313,478	$ 16,247,203	$ 25,933,781	$ 34,373,913	$ 48,805,773	$ 64,068,140	$ 76,324,180	$ 80,967,714	$ 79,658,526	$ 74,457,263
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Abstract of Ratables and District Records CAFR Schedule J-7

CITY OF WILDWOOD SCHOOL DISTRICT
Demographic and Economic Statistics,
Last Ten Fiscal Years

Exhibit J-14

Fiscal Year Ended June 30,	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2002	5,259	$ 189,602,727	$ 36,053	22.9%
2003	5,249	191,546,508	36,492	23.5%
2004	5,144	199,278,560	38,740	17.0%
2005	5,221	210,489,836	40,316	16.4%
2006	5,276	223,290,872	42,322	17.2%
2007	5,260	234,464,500	44,575	16.5%
2008	5,243	241,529,281	46,067	15.5%
2009	5,210	241,374,090	46,329	26.8%
2010	5,325	*	*	27.8%
2011	*	*	*	-

* Accurate information is not available

CITY OF WILDWOOD SCHOOL DISTRICT
Principal Employers,
Current Year and Nine Years Ago

Exhibit J-15

	2011			2002		
Employer	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
City of Wildwood	175	1		216	1	
Wildwood Board of Education	169	2		155	2	
Moreys Piers	79	3				
TKR Cable Co.				58	3	
Crest Savings Bank	42	4				
J Byrne Agency	41	5		42	4	
Sawyer Electric Co.				40	5	
Kelly's Café	36	6				
Neils Steakhouse	30	7				
New Jersey Employment Sec.				28	6	
Acme Markets				26	7	
PNC Bank				24	8	
WAWA Stores				22	9	
Scrivani Buick				18	10	
Totals	397		0.00%	413		0.00%

CITY OF WILDWOOD SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Exhibit J-16

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
	not available	not available	not available	not available						
Instruction:										
Regular instruction					97.8	99.0	98.0	98.0	79.5	79.5
Special education instruction					21.0	23.0	23.0	24.0	27.6	27.6
Other special education instruction					0.0	0.0	0.0	0.0	0.0	0.0
Vocational education					0.0	0.0	0.0	0.0	0.0	0.0
Other instruction					0.0	0.0	0.0	0.0	7.0	7.0
Nonpublic school programs					1.0	1.0	1.0	1.0	0.0	0.0
Adult/continuing education programs					0.0	0.0	0.0	0.0	0.0	0.0
Support Services:										
Tuition					0.0	0.0	0.0	0.0	0.0	0.0
Student & instruction related services					17.8	18.0	17.0	17.0	23.5	23.5
General administrative services					0.6	0.0	0.5	0.5	2.5	2.5
School administrative services					7.5	7.0	7.0	7.0	9.0	9.0
Business administrative services					4.0	4.0	3.5	3.5	4.5	4.5
Plant operations and maintenance					16.0	13.0	14.0	14.0	15.0	15.0
Pupil transportation					0.0	0.0	0.0	0.0	0.0	0.0
Special schools					0.0	0.0	0.0	0.0	0.0	0.0
Food Service					0.0	0.0	0.0	0.0	0.0	0.0
Child Care										
Total	-	-	-	-	166	165.0	164.0	165.0	168.6	168.6

Source: District Personnel Records

CITY OF WILDWOOD SCHOOL DISTRICT
Operating Statistics,
Last Ten Fiscal Years

Exhibit J-17

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2002	970.0	$13,908,638.11	$ 14,338.80	9.63%	118	1:11	1:13	1:11	907.8	831.6	-4.60%	91.61%
2003	900.0	16,182,132.07	17,980	25.40%	120	1:10	1:17	1:13	911.2	822.8	0.37%	90.30%
2004	873.0	17,033,332.14	19,511	8.52%	120	1:10	1:11	1:10	834.1	756.9	-8.46%	90.74%
2005	857.0	17,852,123.24	20,831	6.76%	123	1:8	1:10	1:9	770.8	711.8	-7.59%	92.35%
2006	797.3	17,871,538.17	22,415	7.60%	123	1:8	1:8	1:9	797.3	732.8	3.44%	91.91%
2007	788.0	20,534,641.85	26,059	16.26%	126	1:8	1:8	1:9	797.3	732.8	0.00%	91.91%
2008	778.0	20,787,629.79	26,719	2.53%	120	1:8	1:8	1:9	778.1	738.8	-2.41%	94.95%
2009	846.0	19,977,271.16	23,614	-11.62%	122	1:8	1:8	1:9	823.3	761.1	5.81%	92.45%
2010	837.0	19,970,383.25	23,859	1.04%	127	1:8	1:8	1:9	764.1	709.1	-7.19%	92.80%
2011	854.0	20,249,784.17	23,712	-0.62%	120	1:8	1:8	1:9	744.8	695.9	-2.53%	93.43%

Source: District records, ASSA and Schedules J-12, J-14

CITY OF WILDWOOD SCHOOL DISTRICT
School Building Information,
Last Ten Fiscal Years

Exhibit J-18

	2002	2003	2004	2005	2006	2007	2008	2010	2011
District Buildings									
Wildwood Middle/High School									
Square Feet	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170
Capacity (students)	600	600	600	600	600	600	600	600	600
Enrollment	624	582	523	538	411	411	411	423	421
Elementary									
Glenwood Avenue									
Square Feet	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500
Capacity (students)	400	400	400	400	400	400	400	400	400
Enrollment	410	388	377	335	446	446	446	409	433
Other									
Number of Schools at June 30, 2011									
Elementary = 1									
High School/Middle School = 1									
Other = 0									

Source: District Records, ASSA

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance for School Facilities,
Last Ten Fiscal Years
(Unaudited)

Exhibit J-19

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Wildwood High	N/A	$ 139,702	$ 137,833	$ 117,325	$ 100,125	$ 113,968	$ 1,034,957	$ 307,713	$ 398,124	$ 283,925	$ 408,101
Wildwood Middle School	N/A		19,732	76,261	74,892		1,135				
Glenwood Avenue Elementary	N/A	6,019	93,901	170,855	68,217	58,091	38,779	188,292	32,496	67,342	244,578
Behavioral Disability	N/A		858	2,199							
Total School Facilities		145,721	252,324	366,640	243,234	172,059	1,074,871	496,005	430,620	351,267	652,679
Other Facilities								750			
Grand Total		$ 145,721	$ 252,324	$ 366,640	$ 243,234	$ 172,059	$ 1,074,871	$ 496,755	$ 430,620	$ 351,267	$ 652,679

Source: District Records

CITY OF WILDWOOD SCHOOL DISTRICT **Exhibit J-20**
Insurance Schedule
For the Fiscal Year Ended June 30, 2011
(Unaudited)

Company	Type of Coverage	Amount of Coverage	Deductible
NJSBAIG	**Property**		
	Property Blanket Building & Contents-Replacement Cost Values	$ 10,490,606,031.00	$ 5,000.00
	Blanket Extra Expense	25,000,000.00	5,000.00
	Blanket Valuable Papers and Records	10,000,000.00	5,000.00
	Demolition and Increased Cost of Construction	10,000,000.00	
	Fire Department Service Charge	10,000.00	
	Arson Reward	10,000.00	
	Pollutant Cleanup and Removal	250,000.00	
	Flood/Earthquake	50,000,000.00	500,000.00
	Sublimits:Flood Zones Prefix A & V	10,000,000.00	500,000.00
	NJSBAIG annual aggregate	10,000,000.00	
	Flood Zone B (per occurance)	25,000,000.00	
	All other Flood Zones (per occurence)	50,000,000.00	10,000.00
	Earthquake (per occurrence)	5,000,000.00	
	NJSBAIG annual aggregate	50,000,000.00	
	Terrorism (per occurrence)	1,000,000.00	
	NJSBAIG annual aggregate	1,000,000.00	
NJSBAIG	**School Leaders Errors and Omissions**		
	Coverage A		
	Limit of Liability - Each Policy Period	6,000,000.00	5,000.00
	Coverage B		
	Limit of Liability - Each Claim	100,000.00	5,000.00
	Limit of Liability - Each Policy Period	300,000.00	5,000.00

CITY OF WILDWOOD SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2011
(Unaudited)

Exhibit J-20

Company	Type of Coverage	Amount of Coverage	Deductible
NJSBAIG	**Electronic Data Processing**		
	Blanket Hardware/Software (per occurrence)	$ 350,000.00	$ -
	Blanket Extra Expense	Included	
	Coverage Extensions Tansit	25,000.00	
	Loss of Income	10,000.00	
	Terrorism	included in property	
	Deductible (per occurrence)	1,000.00	
	Flood (per occurrence)	1,000,000.00	100.00
	Flood Deductibles (oer member/per occurrence)	500,000.00	
	All Other Flood Zones	10,000.00	
NJSBAIG	**Equipment Breakdown**		
	Combined Single Limit per Accident for Prop Damage	100,000,000.00	
	Sublimits: Property Damage	included	
	Off Premises Property Damage	100,000.00	
	Business Income	included	
	Extra Expense	10,000,000.00	
	Service Interruption	10,000,000.00	
	Perishable Goods	500,000.00	
	Data Restoration	100,000.00	
	Demolition	1,000,000.00	
	Ordinance or Law	1,000,000.00	
	Expediating Expenses	500,000.00	
	Hazardous Substances	500,000.00	
	Newly Acquired Locations (60 Days notice)	250,000.00	
	Terrorism	included	

CITY OF WILDWOOD SCHOOL DISTRICT **Exhibit J-20**
Insurance Schedule
For the Fiscal Year Ended June 30, 2011
(Unaudited)

Company	Type of Coverage	Amount of Coverage	Deductible
	Deductibles:		
	per accident for Property Damage	$ 5,000.00	$ -
	12 hours per Accident for Business Interruption/Extra Expense		
	Interruption of Services Waiting Period 24 hours		
	Crime		
	Insuring Agreement 1 Public Employee Dishonesty with Faithful Performance	250,000.00	1,000.00
	Insuring Agreement 2 Theft, Diappearance and Destruction - Loss of Money & Securities On or Off Premise	10,000.00	500.00
	Insuring Agreement 3 Theft, Disappearance and Destructic Money Orders & Counterfeit Paper Currency	5,000.00	500.00
	Insuring Agreement 4 Forgery or Alteration	100,000	1,000
	Insuring Agreement 5 Computer Fraud	not covered	
NJSBAIG	Fidelity Bonds		
	-Treasurer of School Monies	205,000.00	1,000.00
	-School Business Administrator/ Board Secretary	100,000.00	1,000.00
	Comprehensive General Liability		
NJSBAIG	Bodilly Injury and Property Damage (Combined Single Limit for Bodily Injury & Property Damage)	11,000,000.00	
	Bodily Injury from Products and Completed Operations	11,000,000.00	
	Sexual Abuse (per occurrence)	11,000,000.00	
	annual pool aggregate	17,000,000.00	
	Personal Injury and Advertising Injury (per occurrence)	11,000,000.00	
	Employee Benefits Liability (per claim/annual aggregate)	11,000,000.00	
	Employee Benefits Liability Deductible (each claim)	1,000.00	
	Premises Medical Payments (each accident)	10,000.00	100.00
	any one accident	1,000.00	
	Terrorism (per occurrence/annual NJSBAIG aggregate	1,000,000.00	

CITY OF WILDWOOD SCHOOL DISTRICT **Exhibit J-20**
Insurance Schedule
For the Fiscal Year Ended June 30, 2011
(Unaudited)

Company	Type of Coverage	Amount of Coverage	Deductible
NJSBAIG	**Automobile**		
	Liability		
	Symbol 1 Any Auto (per accident)	$ 11,000,000.00	$ -
	Combined Single Limit for Bodily Injury and Prop Damage	1,000,000.00	
	Symbol 6 Uninsured/Underinsured Motorists - Private Pass		
	Symbol 6 Uninsured/Underinsured Motorists - All Other Vehicles		
	Bodily Injury per person	15,000.00	
	Bodily Injury per accident	30,000.00	
	Property Damage per accident	5,000.00	
	Symbol 5 Personal Injury Protection (including pedestrians	250,000.00	
	Medical Payments (private passenger vehicles)	10,000.00	
	all other vehicles	5,000.00	
	Terrorism (per occurrence/NJSBAIG annual aggregate)	1,000,000.00	
	Physical Damage		
	Symbol 7 Comprehensive deductible	1,000.00	
	Collision per deductible	1,000.00	
	Hired Car Physical Damage ($75,000 Limit)	1,000.00	
	Garage Keepers	included	
NJSBAIG	**Workers' Compensation and Employers' Liability**		
	Estimated Professional & Clerical	10,600,000.00	
	Estimated Non-Professional & Driver	570,000.00	
	Experience Modifier	1.032	
	NJSBAIG Discount	0.970	
	Part II Employers' Liability Agreement		
	Bodily Injury per Accident	2,000,000.00	
	Bodily Injury per Disease (each employee)	2,000,000.00	
	Bodily Injury per Disease (each aggregate limit)	2,000,000.00	
	Excess Accident Coverage - Parent Volunteer Program	500,000.00	

Single Audit Section

FORD-SCOTT
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K-1 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*

The Honorable President and
Members of Board of Education
City of Wildwood School District
County of Cape May, New Jersey

We have audited the basic financial statements of the Board of Education of the City of Wildwood School District, in the County of Cape May, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated November 23, 2011. We conducted our 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 audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Wildwood Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Wildwood Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Wildwood Board of Education's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

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 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. We consider the deficiency identified in the schedule of findings and questioned costs identified as finding 11-1 to be a material weakness.

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. We consider the deficiency identified in the schedule of findings and questioned costs as finding 11-3 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Wildwood Board of Education's basic financial statements are free of material misstatement, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey identified in the schedule of findings and question costs as finding 11-3.

In addition, we noted certain other instances of noncompliance that we have reported to the City of Wildwood Board of Education School District in a separate *Auditors' Management Report on Administrative Findings – Financial, Compliance and Performance*, dated November 23, 2011.

This report is intended solely for the information of the management of the City of Wildwood Board of Education, the New Jersey State Department of Education (the cognizant audit agency) and other state and federal awarding agencies and is not intended and should not be used by anyone other than these parties.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Glen J. Ortman
Certified Public Accountant
Licensed Public School Accountant
No. 853

November 23, 2011

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K-2 REPORT ON COMPLIANCE WITH REQUIREMENTS THATCOULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

The Honorable President and
Members of the Board of Education
City of Wildwood School District
County of Cape May, New Jersey

Compliance

We have audited the compliance of the Board of Education of the City of Wildwood School District, in the County of Cape May, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2011. The Board of Education of the City of Wildwood 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Board of Education of the City of Wildwood School District's management. Our responsibility is to express an opinion on the Board of Education of the City of Wildwood School District's compliance based on our audit.

We conducted our 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; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we 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 Board of Education of the City of Wildwood School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Board of Education of the City of Wildwood School District's compliance with those requirements.

As described in items 11-6, 11-7, 11-9, 11-10 and 11-12 in the accompanying schedule of findings and questioned costs, the City of Wildwood School District did not comply with requirements regarding Reporting and Special Test and Provisions that are applicable to its Title I Program, 21st Century Reading Program and Reimbursed TPAF Social Security Program. Compliance with such requirements is necessary, in our opinion, for the City of Wildwood School District to comply with the requirements applicable to those programs.

In our opinion, except for the instances of noncompliance described in the preceding paragraph, the City of Wildwood School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2011.in addition, the results of our auditing procedures disclosed other instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and NJ 04-04 which are identified in the schedule of findings and questioned costs as findings 11-8, 11-11 and 11-13.

Internal Control Over Compliance

The management of the Board of Education of the City of Wildwood School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Board of Education of the City of Wildwood School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Board of Education of the City of Wildwood School District's internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 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 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs identified as findings 11-7 and 11-9 to be material weaknesses.

The City of Wildwood School District's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City of Wildwood School District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information of the management, the Board of Education of the City of Wildwood School District's Board, the New Jersey State Department of Education (the cognizant audit agency), other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Glen J. Ortman
Certified Public Accountant
Licensed Public School Accountant
No. 853

November 23, 2011

CITY OF WILDWOOD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Award Amount	Balance June 30, 2010	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2011 (Accounts Receivable)	Balance at June 30, 2011 Deferred Revenue	Balance at June 30, 2011 Due to Grantor
U.S. Department of Education														
General Fund:														
Medical Assistance (SEMI) Program	93.778	-	7/1/2010	6/30/2011	$ 20,748.05	$ -	$ -	$ 20,748.05	$ (20,748.05)	$ -	$ -	$ -	$ -	$ -
Total General Fund						-	-	20,748.05	(20,748.05)	-	-	-	-	-
U.S. Department of Education - Passed-Through State Department of Education														
Special Revenue Fund:														
Title I, Part A Cluster:														
Title I, Part A	84.010	NCLB5790-11	9/1/2010	8/31/2011	738,374.00				(708,214.45)			(866,293.00)	158,078.55	
Title I, Part A	84.010	NCLB5790-10	9/1/2009	8/31/2010	703,863.00	(613,094.84)	152,869.10	613,095.00	(24,750.00)	16,567.43		(90,768.00)	235,254.69	
Title I, Part A	84.010	NCLB5790-09	9/1/2008	8/31/2009	669,267.00	105,629.10	(152,869.10)			47,040.00				
Title I, Part A	84.010	NCLB5790-06	9/1/2005	8/31/2006	810,586.00	(1,724.10)						(1,724.10)		
Title I, Part A Carryover	84.010	NCLB5790-05	9/1/2004	8/31/2005	818,951.00	(6,511.17)						(6,511.17)		
Title I, Part A, ARRA	84.389	NCLB5790-10	9/1/2010	8/31/2011	406,218.00	(317,182.41)		406,218.00	(4,713.23)	2,892.21			87,214.57	
Total Title I - Part A Cluster						(832,883.42)	-	1,019,313.00	(737,677.68)	66,499.64	-	(965,296.27)	480,547.81	-
School Improvement Grants Cluster:														
Title I, SIA, Part A	84.377	NCLB5790-11	9/1/2010	8/31/2011	30,000.00				(30,000.00)			(30,000.00)		
Title I, SIA, Part A	84.377	NCLB5790-09	9/1/2008	8/31/2009	29,773.00	242.00							242.00	
Title I, SIA, Part A, ARRA	84.377	NCLB5790-10	9/1/2009	8/31/2011	24,386.00			24,386.00	(24,386.00)					
Total School Improvement Cluster						242.00	-	24,386.00	(54,386.00)	-	-	(30,000.00)	242.00	-
Title IIA	84.168	NCLB5790-11	9/1/2010	8/31/2011	202,397.00		69,512.00		(176,734.52)			(132,885.00)	25,662.48	
Title IIA	84.168	NCLB5790-10	9/1/2009	8/31/2010	114,631.00	(97,575.00)	(57,657.57)	97,575.00		57,657.57				
Title IIA Carryover	84.168	NCLB5790-09	9/1/2008	8/31/2009	115,890.00	9,214.13	(9,214.13)							
Title IIA Carryover	84.168	NCLB5790-06	9/1/2005	8/31/2006	120,909.00	2,840.30	(2,640.30)							
Title IIA Carryover	84.168	NCLB5790-05	9/1/2004	8/31/2005	123,978.00	(3,077.11)						(3,077.11)		
Title II D	84.168	NCLB5790-11	9/1/2010	8/31/2011	8,892.00				(8,892.00)			(8,892.00)		
Title II D	84.168	NCLB5790-10	9/1/2009	8/31/2010	6,895.00	(1,520.09)	1,520.09							
Title II D Carryover	84.168	NCLB5790-07	9/1/2006	8/31/2007	3,403.00	2,796.88				(2,796.88)				
Title II D Carryover	84.168	NCLB5790-05	9/1/2004	8/31/2005	20,507.00	(580.90)						(580.90)		
Title III	84.365A	NCLB5790-11	9/1/2010	8/31/2011	53,075.00		7,855.00		(53,075.00)			(45,220.00)		
Title III	84.365A	NCLB5790-10	9/1/2009	8/31/2010	24,883.00	(20,604.98)		20,605.00		(0.02)				
Title III	84.365A	NCLB5790-09	9/1/2008	8/31/2009	34,511.00	1,047.19	(7,855.00)			6,807.81				
Title III Carryover	84.365A	NCLB5790-06	9/1/2005	8/31/2006	28,665.00	352.52								352.52
Title III Carryover	84.365A	NCLB5790-05	9/1/2004	8/31/2005	15,536.00	(2,608.21)						(2,608.21)		
Title IV - Safe & Drug Free Schools & Community	84.186A	NCLB5790-11	9/1/2010	8/31/2011	8,968.00				(8,968.00)			(8,968.00)		
Title IV - Safe & Drug Free Schools & Community	84.186A	NCLB5790-10	9/1/2009	8/31/2010	9,426.00	-	(1,520.09)	1,520.00		0.09				
Title V Carryover	84.298	NCLB5790-05	9/1/2004	8/31/2005	8,875.00	(737.00)						(737.00)		
Special Education Cluster:														
I.D.E.A. Part B, Basic	84.027	IDEA5790-11	9/1/2010	8/31/2011	300,645.00			102,986.00	(300,645.00)			(204,633.00)	6,974.00	
I.D.E.A. Part B, Basic	84.027	IDEA5790-10	9/1/2009	8/31/2010	250,061.00	(36,056.95)		36,057.00		(0.05)				
I.D.E.A. Part B, Basic, ARRA	84.391	IDEA5790-10	9/1/2009	8/31/2011	253,759.00	67,299.84			(174,872.11)	2,272.31		(108,150.00)	2,850.04	
I.D.E.A. Part B, Basic	84.027	IDEA5790-10	9/1/2008	8/31/2009	252,168.00	(72,410.00)		77,200.00		(825.00)				3,965.00
I.D.E.A. Preschool	84.173	IDEA5790-11	9/1/2010	8/31/2011	12,267.00				(6,656.00)			(7,098.00)	442.00	
I.D.E.A. Preschool	84.173	IDEA5790-10	9/1/2009	8/31/2010	4,861.00	(3,964.28)		3,964.00		0.28				
I.D.E.A. Preschool, ARRA	84.392	IDEA5790-10	9/1/2009	8/31/2011	9,117.00	-			(8,288.00)			(8,288.00)		
Total Special Education Cluster						(45,131.39)	-	220,207.00	(490,461.11)	1,447.54	-	(328,169.00)	10,266.04	3,965.00
Even Start Literacy Program Carryover	84.213C	4000347	10/1/2003	8/31/2004	224,652.00	(1,169.37)						(1,169.37)		
21st Century Community Learning Centers Program	84.287C		9/1/2009	8/31/2010	75,247.34	(54,392.34)	(20,855.00)			75,247.34				
21st Century Community Learning Centers Program	84.287C		9/1/2008	8/31/2009	268,490.00	977.49	20,855.00			7,022.07	(28,854.56)			
21st Century Community Learning Centers Program	84.287C		9/1/2006	8/31/2007	268,493.00									
21st Century Community Learning Centers Program	84.287C		7/1/2005	6/30/2006	268,493.00	(216.46)						(216.46)		
21st Century Community Learning Centers Program	84.287C		4/1/2004	6/30/2005	420.18	(420.18)						(420.18)		
NJ Reading First Grant	84.357A	READINGFIRST 5790-10	7/1/2009	6/30/2010	111,164.00	(83,310.00)	18,975.75	17,526.00		52,619.26				5,811.01
NJ Reading First Grant	84.357A	READINGFIRST 5790-09	7/1/2008	6/30/2009	232,292.00	(46,808.25)	(18,975.75)	65,784.00						
NJ Reading First Grant	84.357A	READINGFIRST 5790-07	7/1/2006	6/30/2007	347,755.00	(44.32)						(44.32)		
NJ Reading First Grant	84.357A	READINGFIRST 5790-06	7/1/2005	6/30/2006	112,169.00	(19.62)						(19.62)		
Total Special Revenue Fund						(1,173,828.13)	-	1,466,916.00	(1,530,194.31)	264,504.42	(28,854.56)	(1,528,303.44)	516,718.33	10,128.53
U.S. Department of Agriculture - Passed-Through State Department of Education														
Enterprise Fund:														
Food Distribution Program	10.550		7/1/2010	6/30/2011	32,312.98			32,312.98	(32,312.98)					
Child Nutrition Program Cluster:														
National School Lunch Program	10.555		7/1/2010	6/30/2011	313,269.84			295,703.60	(313,269.64)			(17,566.04)		
National School Lunch Program	10.555		7/1/2009	6/30/2010	300,775.66	(24,605.17)		24,605.17						
School Breakfast Program	10.553		7/1/2010	6/30/2011	197,130.68			186,062.54	(197,130.68)			(11,068.14)		
School Breakfast Program	10.553		7/1/2009	6/30/2010	189,709.74	(15,999.20)		15,999.20						
School Breakfast Program	10.553		7/1/2008	6/30/2009	187,057.20	506.24					(506.24)			
After School Snacks Program	10.555		7/1/2010	8/30/2011	101,317.84			97,464.66	(101,317.84)			(3,853.18)		
After School Snacks Program	10.555		7/1/2009	6/30/2010	102,185.86	(6,430.60)		6,430.60						
Total Child Nutrition Program Cluster						(46,528.73)	-	626,265.77	(611,718.16)	-	(506.24)	(32,487.36)	-	-
Total Enterprise Fund						(46,528.73)	-	658,578.75	(644,031.14)	-	(506.24)	(32,487.36)		-
Total Federal Financial Awards						$ (1,220,356.86)	$ -	$ 2,146,242.80	$ (2,194,873.50)	$ 264,504.42	$ (29,360.80)	$ (1,560,790.80)	$ 516,718.33	$ 10,128.53

See Accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance

CITY OF WILDWOOD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2011

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2010 Deferred Revenue (Accts Receivable)	Balance at June 30, 2010 Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance at June 30, 2011 (Accounts Receivable)	Balance at June 30, 2011 Deferred Revenue/ Interfund Payable	Balance at June 30, 2011 Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
State Department of Education														
General Fund:														
Special Education Categorical Aid	11-495-034-5120-089	7/1/2010 6/30/2011	$ 358,529.00	$	$	$	$ 358,529.00	$ (358,529.00)	$	$	$	$	$ 25,632.12	$ 358,529.00
Transportation Aid	11-495-034-5120-014	7/1/2010 6/30/2011	122,558.00				122,558.00	(122,558.00)					8,761.97	122,558.00
Equalization Aid	11-495-034-5120-078	7/1/2010 6/30/2011	483,153.00				483,153.00	(483,153.00)					34,541.80	483,153.00
Adjustment Aid	11-495-034-5120-085	7/1/2010 6/30/2011	3,557,617.00				3,557,617.00	(3,557,617.00)					254,082.11	3,557,617.00
Security Aid	11-495-034-5120-084	7/1/2010 6/30/2011	267,245.00				267,245.00	(267,245.00)					19,106.00	267,245.00
Reimbursed TPAF Social Security Contributions	11-495-034-5095-002	7/1/2010 6/30/2011	595,503.66				566,217.78	(595,503.66)		(29,285.88)			-	595,503.66
Total General Fund				-	-	-	5,355,319.78	(5,384,605.66)	-	(29,285.88)	-	-	342,124.00	5,384,605.66
Special Revenue Fund:														
Preschool Education Aid	11-495-034-5120-086	7/1/2010 6/30/2011	386,100.00			96,640.08	347,490.00	(482,740.08)		(38,610.00)			38,610.00	482,740.08
Preschool Education Aid	10-495-034-5120-086	7/1/2009 6/30/2010	378,378.00	58,802.28		(96,640.08)	37,837.80							-
Auxiliary Services:														-
Compensatory Education	10-100-034-5120-067	7/1/2009 6/30/2010	30,711.00		509.62							509.62		-
Compensatory Education	11-100-034-5120-067	7/1/2010 6/30/2011	13,983.00				13,983.00		(13,983.00)					-
Handicapped Services:														-
Examination & Classification	10-100-034-5120-066	7/1/2009 6/30/2010	7,134.00		5,313.22							5,313.22		-
Examination & Classification	09-100-034-5120-066	7/1/2008 6/30/2009	11,191.00	(6,768.25)						(6,768.25)				-
Nursing Aid	10-100-034-5120-070	7/1/2009 6/30/2010	12,352.00				12,352.00	(12,352.00)						12,352.00
Textbook Aid	10-100-034-5120-064	7/1/2009 6/30/2010	10,416.00		10.05				(10.05)					-
Teacher Mentoring Program	05-495-034-5120-052	7/1/2004 6/30/2005	720.00	(568.35)						(568.35)				-
NJ Character Education Partnership	06-495-034-5120-053	7/1/2005 6/30/2006	4,000.00	(383.80)						(383.80)				-
Total Special Revenue Fund				51,081.88	5,832.89	-	411,662.80	(495,092.08)	(13,993.05)	(46,330.40)	-	5,822.84	38,610.00	495,092.08
State Department of Agriculture														
Enterprise Fund:														
National School Lunch Program (State Share)	11-100-010-3360-067	7/1/2010 6/30/2011	7,138.47				6,709.42	(7,138.47)		(429.05)			-	7,138.47
National School Lunch Program (State Share)	10-100-010-3360-067	7/1/2009 6/30/2010	12,584.42	(996.54)			996.54							-
National School Breakfast Program (State Share)	09-100-010-3360-096	7/1/2009 6/30/2010	14,915.90	(1,251.60)			1,251.60						-	-
Total Enterprise Fund				(2,248.14)	-	-	8,957.56	(7,138.47)	-	(429.05)	-	-	-	7,138.47
Total State Financial Assistance				$ 48,833.74	$ 5,832.89	$ -	$ 5,775,940.14	$ (5,886,836.21)	$ (13,993.05)	$ (76,045.33)	$ -	$ 5,822.84	$ 380,734.00	$ 5,886,836.21

See Accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance

CITY OF WILDWOOD SCHOOL DISTRICT
K-5 Notes to Schedules of Expenditures of Awards
And Financial Assistance
For the Year Ended June 30, 2011

Note 1: General

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

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(C) and 1(D) to the Board's basic financial statements. The information on these schedules are presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local governments, and Non-Profit Organizations*. Therefore, some amounts presented on these schedules may differ from amounts presented in, or used in the presentation of, the basic financial statements.

Note 3: Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $120,097.20 for the general fund and $27,241.09 for the Special Revenue Fund. See the 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 on the following page:

	Federal	State	TPAF Pension	Total
General Fund	$ 20,748.05	$ 6,076,235.86	$ (571,533.00)	$ 5,525,450.91
Special Revenue Fund	1,544,027.45	496,148.03		2,040,175.48
Food Service Fund	643,524.96	7,378.23		650,903.19
	$ 2,208,300.46	$ 6,579,762.12	$ (571,533.00)	$ 8,216,529.58

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2011. 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, 2011.

Note 6: Adjustments

The District has instances where a grant period overlaps fiscal years and the grant has not closed out at the end of the current fiscal year. The following adjustments were made to the federal and state grant schedules.

Federal: (Schedule A)		
Title I, Part A - FY 10	$ 16,567.43	(4)
Title I, Part A - FY 09	47,040.00	(3)
Title I, Part A - ARRA - FY 11	2,892.21	(4)
Title IIA - FY 10	57,657.57	(3)
Title IID - FY 07	(2,796.88)	(3)
Title III - FY 10	(0.02)	(3)
Title III - FY 09	6,807.81	(3)
Title IV - FY 10	0.09	(3)
IDEA Part B, Basic - FY 10	(0.05)	(3)
IDEA Part B, Basic - FY 09	(825.00)	(3)
IDEA Part B, Basic ARRA - FY 11	2,272.31	(4)
IDEA Preschool - FY 10	0.28	(3)
21st Century Community Learning	82,269.41	(3)
NJ Reading First - FY 10	52,619.26	(4)
Total Federal	$ 264,504.42	
State: (Schedule B)		
Textbook Aid	(10.00)	(2)
Compensatory Education	(13,983.00)	(2)
	$ (13,993.00)	

(1) Disallowed Costs – Charged to General Fund
(2) State Refund
(3) Reimburse General Fund
(4) Accounts Payable Canceled

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified Opinion

Internal control over financial reporting:

1) Material weakness(es) identified? X Yes ____ No

2) Significant Deficiencies identified? X Yes ____ None reported

Non-compliance material to basic financial statements noted? X Yes ____ No

Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified: X Yes ____ No

2) Significant Deficiencies identified ? ____ Yes X None reported

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? X Yes ____ No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
	Child Nutrition Program Cluster:
10.555	National School Lunch Program
10.553	School Breakfast Program
	Title I, Part A Cluster:
84.010	Title I, Part A
84.389	Title I, Part A, ARRA
	Special Education Cluster:
84.027	IDEA, Part B
84.391	IDEA. Part B ARRA
84.173	IDEA, Preschool
84.392	IDEA, Preschool ARRA

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

Auditee qualified as low-risk auditee? ____ Yes X No

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

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

State Awards

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

Auditee qualified as low-risk auditee? _____ Yes ___X___ No

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

Internal Control over major programs:

1) Material weakness(es) identified? _____ Yes ___X___ No

2) Significant Deficiencies identified? _____ Yes X none reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04? ___X___ Yes _____ No

Identification of major programs:

GMIS Number(s)	Name of State Program
	State Aid - Public
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-085	Adjustment Aid
495-034-5120-086	Preschool Education Aid
495-034-5095-002	Reimbursed TPAF Social Security Contributions

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

II. Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards

Finding 11-1
Our audit of the tuition adjustments for the 2007-08 and the 2008-09 school years found errors in the calculation that result in additional amounts owed to the Wildwood School District of $337,189.

Criteria:
For FY 11, New Jersey School Districts were required to adjust estimated tuition costs to actual for two years, 2007-08 and 2008-09.

Condition:
The District made an adjustment for the two periods however the District did not use the final estimated tuition amounts for those two periods.

Questioned Costs:
There are no questioned costs related to this finding. The miscalculation pertains to revenue received by the District.

Context:
The District is owed additional tuition billings for those two periods from the sending districts amounting to $337,189.

Effect:
The District has not billed the sending districts for a significant amount of revenue.

Cause:
The District did not use the final estimated tuition costs charged to the sending districts in the 2007-08 and the 2008-09 school years.

Recommendation:
That the tuition adjustment calculation be calculated correctly prior to providing to sending districts.

Planned Corrective Action:
A corrective action plan will be filed by the district to address this finding.

Finding 11-3
Our audit found the District was penalized by the Internal Revenue Service for payroll tax deposits that were not made timely.

Criteria:
Federal tax deposits are required to be made within the required time frame from the date of a payroll period.

Condition:
The District had two instances to federal tax deposits that were not made timely for the first and second quarters of 2010.

Questioned Costs:
There are no questioned costs related to this finding.

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

II. Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards (Continued)

Finding 11-3 - Continued

Context:
The total amount paid by the District in late payment payroll tax penalties was $11,514.

Effect:
The District did not comply with Internal Revenue Service guidelines.

Cause:
Employee transition in the payroll area during that period.

Recommendation:
Payroll tax deposits should be made in a timely manner in order to avoid late payments penalties.

Planned Corrective Action:
A corrective action plan will be filed by the district to address this finding.

Section II – Federal Awards and State Financial Assistance Statement Findings and Questioned Costs

FEDERAL AWARDS

Finding 11-6
The District refunded the amounts due to federal and state grantors from prior periods on two occasions causing the liabilities to be overpaid to the NJ Department of Education by $15,238 for No Child Left Behind Programs; $35,988 for Reading First and $1,169 for Even Start Literacy Grant.

Information on Program:
Title I-CFDA No. 84.010
Title IIA–CFDA No. 84.168
Title IID-CFDA No. 84.168
Title III-CFDA No. 84.168
Title V-CFDA No. 84.298
Reading First-CFDA No. 84.357A
Even Start Literacy-CFDA No. 84.213C
21st Century Learning-CFDA No. 84.287C

Criteria:
Refunds of unexpended balances are due to grantors.

Condition:
The District inadvertently overpaid the grantors for each of the above listed programs by refunding the same amount twice. The District has corresponded with the Department of Education with no success.

Questioned Costs:
Questioned costs for this finding are $53,032. This represents the overpaid amounts for the above listed programs.

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

Section II – Federal Awards and State Financial Assistance Statement Findings and Questioned Costs (Continued)

FEDERAL AWARDS - Continued

Finding 11-6 - Continued

Context:
The District overpaid No Child Left Behind Programs by $15,238; Reading First Programs by $35,988; Even Start Literacy Programs by $1,169 and 21st Century Learning by $637.

Effect:
The due to grantor amounts from prior years has been liquidated; however, the District is now owed $53,032 from those grantors.

Cause:
An oversight by the District.

Recommendation:
That the District continue to pursue recovering overpaid federal grant funds from the New Jersey Department of Education.

Planned Corrective Action:
A corrective action plan will be filed by the district to address this audit finding.

Finding 11-7
Our audit of the final expenditure reports for the FY 10 No Child Left Behind allotments noted a number of differences in the amount reported and the amount actually charged in the District's expenditure records.

Information on Program:
Title I-CFDA No. 84.010
Title IIA–CFDA No. 84.168
Title III-CFDA No. 84.168
21st Century Learning-CFDA No. 84.287C

Criteria:
Amounts reported on the final expenditure reports should agree with the District's accounting records.

Condition:
Audit adjustments were required to reclassify expenditures from the above grants to the general fund of the district so that the charges in the financial statements agreed to the final approved expenditure reports.

Questioned Costs:
The total amount reclassified was $118,527 (Title IA - $47,040; Title IIA - $57,657; Title II - $6,808; 21st Century Learning - $7,022).

Context:
The District's financial reporting did not agree with the final approved grant expenditure reports and was inaccurate.

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

Section II – Federal Awards and State Financial Assistance Statement Findings and Questioned Costs (Continued)

FEDERAL AWARDS - Continued

Finding 11-7 - Continued

Effect:
The District's financial reporting was inaccurate and the reclassification contributed to ever-expenditures of general fund budgetary line items.

Cause:
Improper charging of expenditures in the special revenue fund.

Recommendation:
The amounts reported on the final expenditure reports for No Child Left Behind grants should agree to the expenditure records of the district.

Planned Corrective Action:
A corrective action plan will be filed by the district to address this audit finding.

Finding 11-9
Our audit found expenditures charged in FY 10 to a 21st Century Learning Program for which funding was never received.

Information on Program:
21st Century Learning-CFDA No. 84.287C

Criteria:
Grant expenditures should be charged in the special revenue to valid grants for which the district has received notification of funding.

Condition:
Charges were made to a grant that ultimately was not funded.

Questioned Costs:
The amount charged to this grant was $75,247.

Context:
The District had to reclassify these expenditures to the general fund.

Effect:
Audit adjustments were required to reclassify these expenditures to the general fund and causing oever-expenditures of budgetary lines in that fund.

Cause:
Improper charging of expenditures in the special revenue fund.

Recommendation:
Expenditures charged to grant programs in the Special Revenue Fund should be carefully reviewed in order to avoid significant adjustments that may cause over-expenditures in other funds.

Planned Corrective Action:
A corrective action plan will be filed by the district to address this audit finding.

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

Section II – Federal Awards and State Financial Assistance Statement Findings and Questioned Costs (Continued)

FEDERAL AWARDS - Continued

Finding 11-10
The District received a notice from the Department of Education disallowing $8,000 in 21st Century Learning Grant expenditures from FY 09 because proper grant closeout procedures were not followed.

Information on Program:
21st Century Learning-CFDA No. 84.287C

Criteria:
Upon acceptance of the grant, the District agreed to comply with certain reporting requirements of the grant.

Condition:
The District received notification from the Department of Education that the final close out documents for the grant were not received.

Questioned Costs:
The Department of Education disallowed $8,000 of costs chargeable to the grant.

Context:
The District did not comply with the final reporting requirements related to the grant.

Effect:
Certain costs were disallowed resulting in a refund to the grantor.

Cause:
Not known.

Recommendation:
Proper closeout procedures should be followed for all grants received by the District in order to avoid costs being disallowed.

Planned Corrective Action:
A corrective action plan will be filed by the district to address this audit finding.

Finding 11-11
Due to Grantor balances were not promptly turned over for Title III and IDEA, Basic.

Information on Program:
Title III-CFDA No. 84.168
IDEA, Part B Basic – 84.027

Criteria:
Final grant expenditure reports identified funds to be returned to the Department of Education.

Condition:
These grant refunds were never made by the District.

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

Section II – Federal Awards and State Financial Assistance Statement Findings and Questioned Costs (Continued)

FEDERAL AWARDS - Continued

Finding 11-11 - Continued

Questioned Costs:
Title III – FY 06 - $352.52
IDEA Basic - $3,965.00

Context:
Final grant closeout was not done.

Effect:
Liabilities for these grants are still reflected in the District; financial statements.

Cause:
Not Known.

Recommendation:
All unexpended prior grant balances should be remitted to the N.J. Department of Education

Planned Corrective Action:
A corrective action plan will be filed by the district to address this audit finding.

STATE AWARDS

Finding 11-8
The District refunded the amounts due to federal and state grantors from prior periods on two occasions causing the liabilities to be overpaid to the NJ Department of Education

Program Information:
Nonpublic Aid Programs-100-034-5120-066,067
NJ Character Education- 495-034-5120-053
Teacher Mentoring- 495-034-5120-052

Criteria:
Refunds of unexpended balances are due to grantors.

Condition:
The District inadvertently overpaid the grantors for each of the above listed programs by refunding the same amount twice. The District has corresponded with the Department of Education with no success.

Questioned Costs:
Questioned costs for this finding are $7,774. This represents the overpaid amounts for the above listed programs.

Context:
The District overpaid Nonpublic Programs by $6,822; Teacher Mentoring Programs by $568 and NJ Character Education Program by $384.

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

Section II – Federal Awards and State Financial Assistance Statement Findings and Questioned Costs (Continued)

STATE AWARDS - Continued

Finding 11-8 - Continued

Effect:
The due to grantor amounts from prior years has been liquidated; however, the District is now owed $7,774 from those grantors.

Cause:
An oversight by the District.

Recommendation:
That the District continue to pursue recovering overpaid state grant funds from the New Jersey Department of Education.

Planned Corrective Action:
A corrective action plan will be filed by the district to address this audit finding.

Finding 11-11
Due to Grantor balances were not promptly turned over for prior year Nonpublic grants.

Information on Program:
Nonpublic Compensatory Education – 100-034-5120-067
Nonpublic Examination and Classification – 100-034-5120-066

Criteria:
Final grant expenditure reports identified funds to be returned to the Department of Education.

Condition:
These grant refunds were never made by the District.

Questioned Costs:
Nonpublic – Comp. Ed, - $509.62
Nonpublic – Exam and Class - $5,313

Context:
Final grant closeout was not done.

Effect:
Liabilities for these grants are still reflected in the District; financial statements.

Cause:
Not Known.

Recommendation:
All unexpended prior grant balances should be remitted to the N.J. Department of Education

Planned Corrective Action:
A corrective action plan will be filed by the district to address this audit finding.

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

Section II – Federal Awards and State Financial Assistance Statement Findings and Questioned Costs (Continued)

STATE AWARDS - Continued

Finding 11-12
Our audit found that the District did not remit the liability for the reimbursement to the NJ Department of Education for TPAF FICA and Pension that was charged to federally funded programs for the FY 10 school year.

Information on Program:
Reimbursed TPAF FICA – 495-034-5095-002
On-behalf TPAF Pension – 495-034-5095-001

Criteria:
Districts are required to identify TPAF members salaries chargeable to federal funded programs and refund the New Jersey Department of Education for FICA and Pension costs charged to the grants by September 30th of the following year.

Condition:
The District set up a liability at the end of FY 10 but never made the refund.

Questioned Costs:
The total liability for FY 10 not refunded was $98,386.

Context:
The District did not comply with New Jersey Department of Education guidelines.

Effect:
Material non-compliance with Department of Education regulations.

Cause:
Not Known.

Recommendation:
The liability for TPAF FICA and Pension charged to federally funded programs should be remitted to the NJ Department of Education in accordance with regulations.

Planned Corrective Action:
A corrective action plan will be filed by the district to address this audit finding.

Finding 11-13:
The District has unused TARA (Targeted at Risk Aid) and DEPA (Demonstrably Effective Program Aid) from FY 2008 in the amount of $96,920 that has not been budgeted as required by state regulations.

Program Information:
Demonstrably Effective Program Aid-08-495-034-5064-002
Targeted At-Risk Aid-08-495-034-5120-005

Criteria:
Effective June 30, 2008, TARA and DEPA funds could no longer be expended in the Special Revenue Fund. These funds were required to be budgeted in the General Fund.

CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(CONTINUED)

Section II – Federal Awards and State Financial Assistance Statement Findings and Questioned Costs (Continued)

STATE AWARDS - Continued

Finding 11-13 - Continued:

Condition:
The District has never budgeted these unused funds.

Questioned Costs:
The total amount that has not been budgeted is $96,920.

Context:
The funds remain on the District's financial statements as a deferred revenue in the general fund.

Effect:
The Department of Education guidelines were not followed.

Cause:
Not known.

Recommendation:
The District should include unused DEPA and TARA funds as a revenue in the FY 2013 budget as required by state guidelines.

Planned Corrective Action:
A corrective action plan will be filed by the district to address this audit finding.

CITY OF WILDWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT

STATUS OF PRIOR-YEAR FINDINGS:

Financial Statement Findings:

Finding 10-4
Substantial year-end adjustments were necessary to properly reflect expenditures in the Board's financial statements at year-end.

Criteria:
The State Board of Education has, in accordance with law, prescribed a uniform double-entry system of bookkeeping for use in all school districts and is authorized to compel its use.

Condition:
The District maintains a double-entry system of bookkeeping however a number of required year end revenue and expenses entries and adjustments were not made by the district at year end.

Questioned Costs:
There are no questioned costs related to this finding as all required adjustments have now been made.

Context:
The District did not record and reconcile all non-cash adjustments at year end resulting in large expenditure adjustments. The District, however, provided spreadsheet analysis of the postings which assisted in preparing the final audit adjustments.

Effect:
Substantial year-end adjustments were not recorded in the District's accounting system.

Cause:
District made errors when recording state aid and noncash adjustments in FY 2010.

Recommendation:
That year-end closing procedures be reviewed by management to ensure all revenues and expenditures are properly reflected on year-end reports.

Status of Finding:
Corrective action was taken on this finding in FY 11.

Federal and State Awards:

FEDERAL AWARDS

Finding 10-5
The following final expenditure reports were not completed on the EWEG System in a timely manner;
No Child Left Behind – Period 9/1/08 – 8/31/09 – Not yet filed

Information on Program:
Title I-CFDA No. 84.010

Criteria:
Final expenditure reports were required to be filed by November 30, 2009.

CITY OF WILDWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT

FEDERAL AWARDS - Continued

Condition:
The District still has not filed a final expenditure report for FY 09.

Questioned Costs:
Questioned costs related to the FY 2009 Title I, Part A grant were $563,718.

Context:
The District did not comply with Title I grant provisions.

Effect:
Title I expenditures were incurred but have not been reported to the New Jersey Department of Education.

Cause:
The District was waiting for approval of the FY 2008 final expenditure report.

Recommendation:
Final expenditure reports for No Child Left Behind should be filed in a timely manner.

Status of Finding:
Corrective action has been taken on this finding. A final expenditures report was filed.

Finding 10-6
The District refunded the amounts due to federal and state grantors from prior periods on two occasions causing the liabilities to be overpaid to the NJ Department of Education by $15,238 for

Information on Program:
Title I-CFDA No. 84.010
Title IIA–CFDA No. 84.168
Title IID-CFDA No. 84.168
Title III-CFDA No. 84.168
Title V-CFDA No. 84.298
Reading First-CFDA No. 84.357A
Even Start Literacy-CFDA No. 84.213C
21st Century Learning-CFDA No. 84.287C

Criteria:
Refunds of unexpended balances are due to grantors.

Condition:
The District inadvertently overpaid the grantors for each of the above listed programs by refunding the same amount twice.

Questioned Costs:
Questioned costs for this finding are $53,032. This represents the overpaid amounts for the above listed programs.

Context:
The District overpaid No Child Left Behind Programs by $15,238; Reading First Programs by $35,988; Even Start Literacy Programs by $1,169 and 21st Century Learning by $637.

CITY OF WILDWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT

FEDERAL AWARDS - Continued

Effect:
The due to grantor amounts from prior years has been liquidated; however, the District is now owed $53,032 from those grantors.

Cause:
An oversight by the District.

Recommendation:
That more care be taken to ensure grant refunds are made only one time.

Status of Finding:
Corrective action has been partially taken on this finding.

STATE AWARDS

Finding 10-6
The District refunded the amounts due to federal and state grantors from prior periods on two occasions causing the liabilities to be overpaid to the NJ Department of Education

Program Information:
Nonpublic Aid Programs-100-034-5120-066,067
NJ Character Education- 495-034-5120-053
Teacher Mentoring- 495-034-5120-052

Criteria:
Refunds of unexpended balances are due to grantors.

Condition:
The District inadvertently overpaid the grantors for each of the above listed programs by refunding the same amount twice.

Questioned Costs:
Questioned costs for this finding are $7,774. This represents the overpaid amounts for the above listed programs.

Context:
The District overpaid Nonpublic Programs by $6,822; Teacher Mentoring Programs by $568 and NJ Character Education Program by $384.

Effect:
The due to grantor amounts from prior years has been liquidated; however, the District is now owed $7,774 from those grantors.

Cause:
An oversight by the District.

Recommendation:
That more care be taken to ensure grant refunds are made only one time.

Status of Finding:
Corrective action has been partially taken on this finding.