

Comprehensive Annual Financial Report

of the

City of Wildwood Board of Education

Cape May County, New Jersey

For the Fiscal Year Ended June 30, 2016

Prepared by

City of Wildwood Board of Education

Finance Office

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION:	
Letter of Transmittal	1-4
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
FINANCIAL SECTION:	
Independent Auditor's Report	8-10
Required Supplementary Information - Part I Management Discussion and Analysis	11-19
Basic Financial Statements	
A District-Wide Financial Statements	
A-1 Statement of Net Position	20
A-2 Statement of Activities	21
B Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	22
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	23
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Proprietary Funds:	
B-4 Statement of Net Position	25
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	26
B-6 Statement of Cash Flows	27
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	28
B-8 Statement of Changes in Fiduciary Net Position	29
Notes to the Financial Statements	30-54

TABLE OF CONTENTS

	Page
Required Supplementary Information - Part II	
C Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	55-65
C-1b Education Jobs Fund Program - Budget to Actual	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	66-67
Notes to Required Supplementary Information	
C-3 Budget to GAAP Reconciliation	68
Required Supplementary Information - Part III	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability (PERS)	69
L-2 Schedule of District's Contributions (PERS)	70
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability (TPAF)	71
Other Supplementary Information	
E Special Revenue Fund:	
E-1 Combining Schedule of Revenues and Expenditures - Special Revenue Fund - Budgetary Basis	72-74
E-2 Preschool Education Aid-Budgetary Basis	75
F Capital Projects Fund:	
F-1 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance	76
F-2a Schedule of Revenues, Expenditures and Changes in Fund Balance - ROD Grant	77
G Proprietary Funds:	
Enterprise Funds:	
G-1 Combining Statement of Net Position	N/A
G-2 Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	N/A
G-3 Combining Statement of Cash Flows	N/A
Internal Service Fund:	
G-4 Combining Statement of Net Position	N/A
G-5 Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	N/A
G-6 Combining Statement of Cash Flows	N/A

TABLE OF CONTENTS

	Page
H Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	78
H-2 Combining Statement of Changes in Fiduciary Net Position	79
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	80
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	81
I Long-Term Debt:	
I-1 Schedule of Serial Bonds	N/A
I-2 Schedule of Obligations under Capital Leases	82
I-3 Debt Service Fund Budgetary Comparison Schedule	N/A
 STATISTICAL SECTION: (Unaudited) 	
Financial Trends	
J-1 Net Position by Component	83
J-2 Changes in Net Position	84-85
J-3 Fund Balances - Governmental Funds	86
J-4 Changes in Fund Balances - Governmental Funds	87
J-5 General Fund Other Local Revenue by Source	88
Revenue Capacity	
J-6 Assessed Value and Estimated Actual Value of Taxable Property	89
J-7 Direct and Overlapping Property Taxes	90
J-8 Principal Property Taxpayers	91
J-9 Property Tax Levies and Collections	92
Debt Capacity	
J-10 Ratios of Outstanding Debt by Type	93
J-11 Ratios of General Bonded Debt Outstanding	94
J-12 Direct and Overlapping Governmental Activities Debt	95
J-13 Legal Debt Margin Information	96
Demographic and Economic information	
J-14 Demographic and Economic Statistics	97
J-15 Principal Employers	98
Operating information	
J-16 Full-time Equivalent District Employees by Function/Program	99
J-17 Operating Statistics	100
J-18 School Building Information	101
J-19 Schedule of Required Maintenance Expenditures by School Facility	102
J-20 Insurance Schedule	103-104

TABLE OF CONTENTS

	Page
SINGLE AUDIT SECTION:	
K-1 Independent Auditor's Report - Government Auditing Standards	105-106
K-2 Independent Auditor's Report - in accordance with Uniform Guidance and OMB 15-08	107-108
K-3 Schedule of Expenditures of Federal Awards, Schedule A	109
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	110
K-5 Notes to the Schedules of Awards and Financial Assistance	111-112
K-6 Schedule of Findings and Questioned Costs	113-114
K-7 Summary Schedule of Prior Audit Findings	115

Introductory Section

J. Kenyon Kummings, Superintendent
Wildwood Public Schools
4300 Pacific Avenue
Wildwood, New Jersey 08260
Phone: 609-522-4157 Fax: 609-523-8161

Wildwood Public Schools

November 30, 2016

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, 2016 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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 Uniform Guidance, and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this Single Audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The 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 2015-16 school year with a resident enrollment of 850 students, which is 19 students less than 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.

CHILDREN FIRST!!!

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2015-16	850	-2.2%
2014-15	869	3.5%
2013-14	840	-1.4%
2012-13	852	0.7%
2011-12	846	-0.9%
2010-11	854	2.0%
2009-10	837	-1.1%
2008-09	846	8.7%
2007-08	778	-1.3%
2006-07	788	-1.1%

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 in 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 over the past years, and is not expected to rebound in the foreseeable future. This coupled with a state-imposed budget cap lower than inflation and increases in state-controlled costs in areas such as health benefits place increased pressure upon the District's budget and required the District to reduce spending in areas such as facility maintenance, and the elimination of some staff.

The leasing of homes to temporary or transient families has continued, and along with this there 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 grade 5 and special education departments resulting in significant costs for leasing classroom space and out-of-district placements.

3. MAJOR INITIATIVES:

The District continues to focus on curricular revision and alignment with the Common Core State Standards, as well as 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 through targeted, job embedded professional development.

The District has tried to maintain a focus on those infrastructure issues which promote safety and an improved atmosphere. Improvements included the renovation of bathrooms at the Glenwood Avenue Elementary School, replacement of Rooftop AC units at the Middle/High School, and upgrades to the security system.

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, 2016.

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. DEBT ADMINISTRATION:

At June 30, 2016, there were no serial bonds and \$564,076.13 in capital leases outstanding.

8. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted 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.

9. RISK MANAGEMENT:

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

10. 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 Budget Uniform Guidance and New Jersey OMB Circular 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. 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,

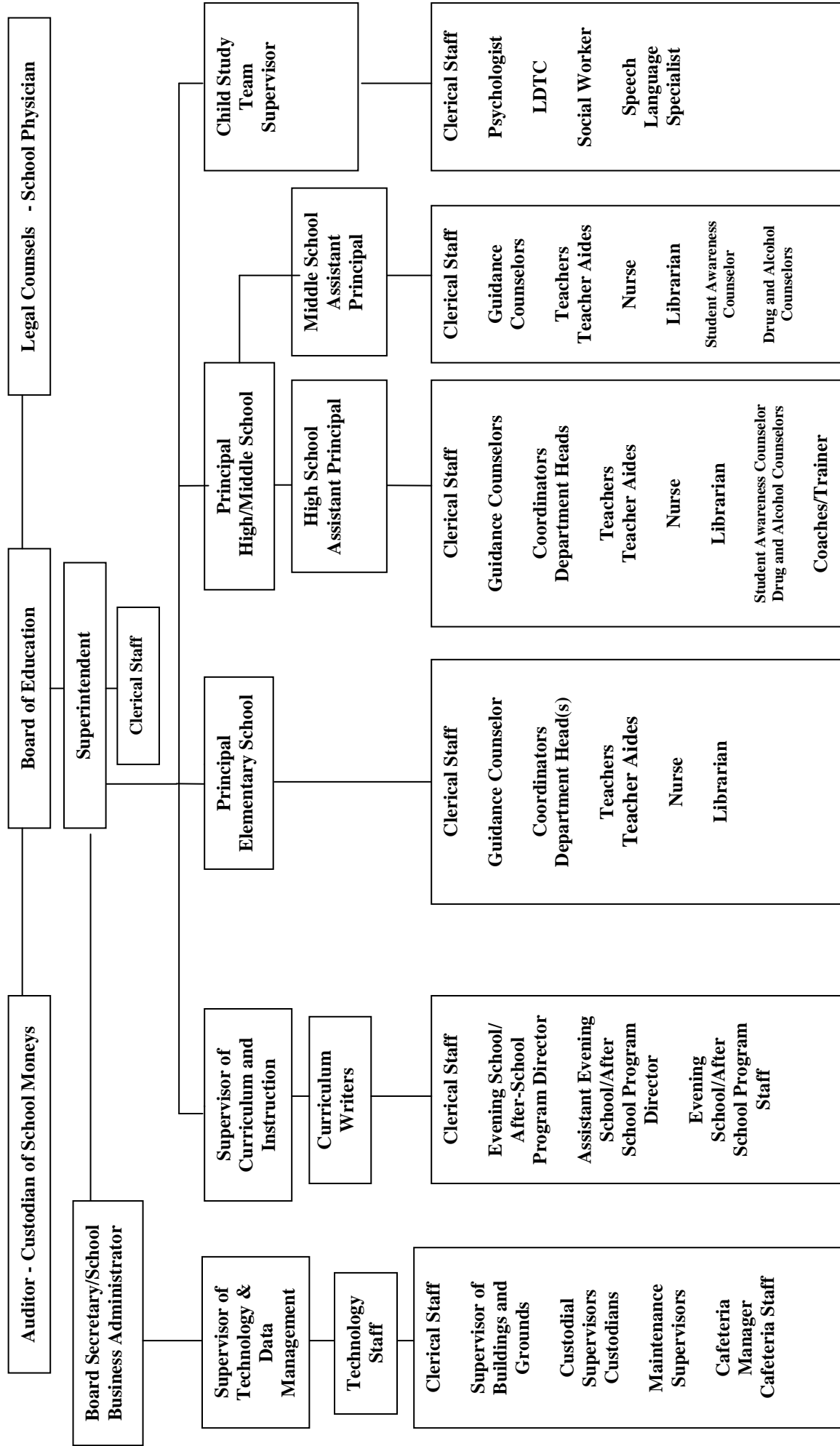
J. Kenyon Kummings

J. Kenyon Kummings
Superintendent of Schools

Martha J. Jamison

Martha J. Jamison, CPA
Board Secretary/Business Administrator

**WILDWOOD PUBLIC SCHOOLS
ADMINISTRATIVE ORGANIZATIONAL CHART
2015-2016**



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

APPROVED BY THE WILDWOOD BOARD OF EDUCATION AT ITS REGULAR MEETING OF SEPTEMBER 16, 2015.

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

**ROSTER OF OFFICIALS
JUNE 30, 2016**

Members of the Board of Education

Term Expires

R. Todd Kieninger, President	2018
Ernest Troiano, III, Vice President	2018
Carol Bannon	2016
Franklin Carrasco	2016
Jeanne Kilian	2018
Jacqueline Martinez	2017
Kelly Phillips	2017
Lynn Quinlan	2017
Josephine Sharpe	2016
David MacDonald (North Wildwood)	2016

Other Officials

J. Kenyon Kummings, Superintendent

Martha J. Jamison, Board Secretary/School Business Administrator

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
Ocean City, NJ 08226-0538

ATTORNEY

Andrew J. Cafiero, Esq.

P.O. Box 789
Wildwood, NJ 08260

RISK MANAGEMENT CONSULTANT

Joseph Meola

Byrne Agency
5200 New Jersey Avenue
Wildwood, NJ 08260

SCHOOL PHYSICIAN

Richard A. Renza, D.O.

P.O. Box 278
Cape May Court House, NJ 08210

COMPUTER CONSULTANT

Computer Solutions, Inc.

6 Commerce Street, Suite 2
Branchburg, NJ 08876

Pearson

13036 Collection Center Drive
Chicago, IL 60693

OFFICIAL DEPOSITORY

Crest Savings Bank

113 E. Wildwood Avenue
Wildwood, NJ 08260

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Financial Section



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wildwood School District, State of New Jersey, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing and opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wildwood School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of federal awards and the schedule of state financial assistance as required by NJ OMB 15-08 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2016 on our consideration of the City of Wildwood School District's internal control over financial reporting and on 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 and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wildwood School District's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

November 30, 2016

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REQUIRED SUPPLEMENTARY INFORMATION – PART I

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

The discussion and analysis of the 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, 2016. 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 2016 are as follows:

- In total, net position increased \$367,632.64, which represents an 11 percent increase from 2015.
- General revenues accounted for \$16,216,892.02 in revenue or 64 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$9,178,593.06 or 36 percent of total revenues of \$25,398,465.65
- Total assets of governmental activities increased by \$823,535.99 as cash and cash equivalents increased by \$1,273,130.23 and receivables decreased by \$109,755.39. Capital Assets remained consistent from 2015, decreasing by only 9,532.62
- The School District had \$25,030,833.01 in expenses; only \$9,178,593.06 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$16,216,892.02 plus budgeted fund prior fund balance were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$19,774,377.50 in revenues and \$19,184,414.70 in expenditures. The General Fund's fund balance increased \$587,213.12 over 2015.

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 the 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 Position 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 the City of Wildwood School District, the General Fund is by far the most significant fund.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

Reporting the School District as a Whole

Statement of Net Position 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 2016?" The Statement of Net Position 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 position and changes in those assets. This change in net position is important because it tells the reader that, for the school district as a whole, the financial position of the School district has 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 Position 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 transactions. The School District's governmental funds are the General Fund, Special Revenue Fund and Capital Projects 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 Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

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 in this report as shown in the table of contents.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net Position 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. In 2016, net position was restated as required by implementation of GASB 68.

Table 1 provides a summary of the School District's net position for 2016 and 2015.

**Table 1
Net Position**

	2016	2015
Assets		
Current and Other Assets	\$ 4,510,649.65	3,712,802.98
Capital Assets	5,414,668.74	5,407,462.54
Total Assets	9,925,318.39	9,120,265.52
Liabilities		
Long-Term Liabilities	6,233,793.49	5,578,638.31
Other Liabilities	561,973.15	493,274.83
Total Liabilities	6,795,766.64	6,071,913.14
Net Position		
Invested in Capital Assets, Net of Debt	4,846,608.73	4,653,419.41
Restricted	3,589,949.23	3,083,483.39
Unrestricted	(4,751,768.94)	(4,419,746.42)
Total Net Position	\$ 3,684,789.02	3,317,156.38

The District's combined net position was \$3,684,789.02 on June 30, 2016. This is an increase of 11 percent from the prior year.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

Table 2 shows changes in net position for fiscal year 2016 and 2015.

**Table 2
Changes in Net Position**

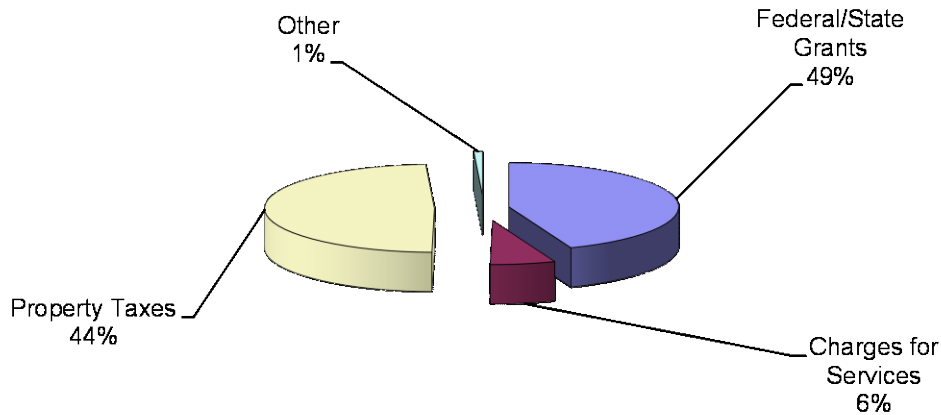
	2016	2015
Revenues		
Program Revenues:		
Charges for Services	\$ 1,721,377.94	2,103,496.12
Operating Grants and Contributions	7,457,215.12	6,583,487.93
General Revenues:		
Property Taxes	10,761,094.00	10,550,093.00
Grants and Entitlements	5,257,999.09	5,138,646.95
Other	200,779.51	159,304.51
Total Revenues	25,398,465.66	24,535,028.51
Program Expenses		
Instruction	14,063,638.10	13,256,656.66
Support Services:		
Tuition	1,196,334.39	1,108,107.05
Student and Instruction Related Services	4,039,711.20	3,736,389.17
General Administration, School Administration, Business Operations and Maintenance of Facilities	4,036,068.77	3,581,785.41
Pupil Transportation	718,831.34	515,623.77
Capital Outlay and Interest		
Food Service	976,249.22	917,521.09
Other		
Total Expenses	25,030,833.02	23,116,083.15
Increase(decrease) in Net Position	\$ 367,632.64	1,418,945.36

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

Governmental Activities

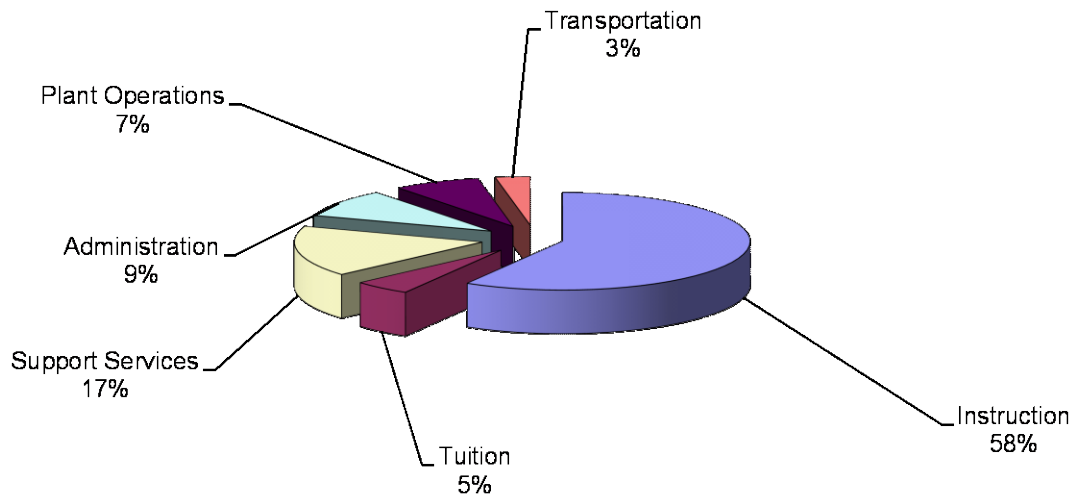
Federal and state grants/aid made up 49 percent of revenues for governmental activities for the City of Wildwood School District for fiscal year 2016. The District's total revenues for governmental activities were \$24,425,792.34 for the year ended June 30, 2016. Property taxes accounted for another 44 percent of revenue.

Sources of Revenue for Fiscal Year 2016



The total cost of all program and services was \$24,054,583.79. Instruction comprises 58 percent of District expenses.

Cost of Programs and Services for Fiscal Year 2016



**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

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 \$3,575.91.
- Charges for services represent \$214,301.71 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 \$758,140.71.

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 2016	Net Cost of Services 2016	Total Cost of Services 2015	Net Cost of Services 2015
Instruction	\$ 14,063,638.10	10,929,742.43	13,256,656.66	10,276,295.58
Support Services:				
Tuition	1,196,334.39		1,108,107.05	1,108,107.05
Pupils and Instructional Staff	4,039,711.20	3,139,515.01	3,736,389.17	2,896,374.28
General Administration, School Administration and Business Operations	2,236,841.33	1,691,992.51	1,895,106.88	1,419,387.51
Operation and Maintenance of Facilities	1,799,227.43	1,368,058.79	1,686,678.53	1,254,524.02
Pupil Transportation	718,831.34	540,894.15	515,623.77	384,731.85
Other			-	-
Total Expenses	<u>\$ 24,054,583.79</u>	<u>17,670,202.89</u>	<u>22,198,562.06</u>	<u>17,339,420.29</u>

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.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

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.

The School District's Funds

All governmental funds (i.e., general fund and special revenue fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$21,687,477.34, and expenditures were \$21,138,697.04. The net positive change in fund balance for the year was most significant in the General Fund, an increase of \$587,213.12.

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, 2016, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) 2015</u>	<u>Percent of Increase (Decrease)</u>
Local Sources	\$ 12,468,718.85	57.49%	\$ (140,626.59)	-1.17%
State Sources	7,627,371.07	35.17%	234,000.84	3.38%
Federal Sources	1,591,387.42	7.34%	(19,750.62)	-1.54%
	<u>\$ 21,687,477.34</u>	<u>100.00%</u>	<u>\$ 73,623.63</u>	<u>0.36%</u>

Tuition revenue decreased by \$393,114.52; District taxes increased by \$211,001 and miscellaneous revenues increased by \$41,486.93.

State sources increased by \$234,000.84 and federal sources decreased by \$19,750.62.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

The following schedule presents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2016.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2015</u>	<u>Percent of Increase (Decrease)</u>
Current Expense:				
Instruction	\$ 8,583,351.53	40.60%	(52,041.83)	-0.61%
Undistributed Expenditures	12,010,604.42	56.82%	599,716.50	4.99%
Capital Outlay	<u>544,741.09</u>	<u>2.58%</u>	<u>(782,991.03)</u>	<u>-143.74%</u>
	<u>\$ 21,138,697.04</u>	<u>100.00%</u>	<u>(235,316.36)</u>	<u>-1.11%</u>

Changes in expenditures were the results of varying factors. Support Services increased in most areas, specifically in employee benefits. Capital Outlay was less than prior years because most ongoing projects have been completed.

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.

Capital Assets

At the end of the fiscal year 2016, the School District had \$5,414,668.74 invested in land, building, furniture and equipment and vehicles. Table 4 shows fiscal year 2016 balances compared to 2015.

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

	<u>2016</u>	<u>2015</u>
Land	\$ 205,000.00	205,000.00
Construction in Progress	-	1,076,608.73
Land Improvements	19,200.00	20,800.00
Buildings and Improvements	4,868,183.00	3,863,347.08
Machinery and Equipment	291,238.65	241,706.73
Licensed Vehicles	31,047.09	-
Total	<u>\$ 5,414,668.74</u>	<u>5,407,462.54</u>

Overall capital assets increased \$7,206.20 from fiscal year 2015 to fiscal year 2016.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

Debt Administration

At June 30, 2016, the School District had \$828,953.49 of outstanding debt.

**Table 5
Outstanding Debt at June 30**

		2016	2015
Leases of Capital Assets	\$	564,076.13	747,547.20
Compensated Absences		264,877.36	258,125.11
Total	\$	828,953.49	1,005,672.31

For the Future

The Wildwood School District is presently in adequate financial condition. The School District is proud that community support of the schools have 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.

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BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position 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 Position
June 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 3,183,566.81	42,825.68	3,226,392.49
Receivables, Net	812,291.82	51,828.10	864,119.92
Internal Balances	401.06	10,518.73	10,919.79
Inventory	-	5,919.45	5,919.45
Restricted Assets:			
Capital Reserve Account - Cash	403,298.00		403,298.00
Capital Assets			
Land & Construction in Progress	205,000.00		205,000.00
Capital Assets Being Depreciated, net	5,184,586.57	25,082.17	5,209,668.74
Total Assets	9,789,144.26	136,174.13	9,925,318.39
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	867,059.00	-	867,059.00
Total Deferred Outflows of Resources	867,059.00	-	867,059.00
LIABILITIES			
Accounts Payable	201,854.94	46,474.48	248,329.42
Accrued Interest Payable	3,983.88		3,983.88
Unearned Revenues	309,659.85		309,659.85
Noncurrent Liabilities			
Due Within One Year	189,175.36		189,175.36
Due Beyond One Year	639,778.13		639,778.13
Net Pension Liability	5,404,840.00		5,404,840.00
Total Liabilities	6,759,810.89	46,474.48	6,806,285.37
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	301,303.00	-	301,303.00
NET POSITION			
Net Investment in Capital Assets	4,821,526.56	25,082.17	4,846,608.73
Restricted for:			-
Capital Projects	753,918.71		753,918.71
Other Purposes	2,836,030.52		2,836,030.52
Unrestricted (Deficit)	(4,816,386.42)	64,617.48	(4,751,768.94)
Total Net Position	\$ 3,595,089.37	89,699.65	3,684,789.02

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

CITY OF WILDWOOD SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2016

Function/Programs	Expenses	Allocation	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 6,096,594.75	1,748,082.54	1,507,076.23	1,862,652.32	-	(4,474,948.74)	(4,474,948.74)	
Special Education	3,438,112.91	985,813.46		2,371,761.68		(2,052,164.69)	(2,052,164.69)	
Other Instruction	1,395,034.77	399,999.67		426,215.76		(1,368,818.68)	(1,368,818.68)	
Support Services:								
Tuition	1,196,334.39	900,196.19		1,592,139.87		(1,196,334.39)	(1,196,334.39)	
Student & Instruction Related Services	3,139,515.01	250,072.47		96,714.74		(2,447,571.33)	(2,447,571.33)	
School Administrative Services	777,656.43	431,168.64		166,753.11		(931,014.16)	(931,014.16)	
Plant Operation and Maintenance	1,368,058.79	177,937.19		68,816.64		(1,632,474.32)	(1,632,474.32)	
Pupil Transportation	540,894.15	294,818.92		114,020.29		(650,014.70)	(650,014.70)	
General and Business Services	914,293.51	(5,188,089.08)				(1,095,092.14)	(1,095,092.14)	
Unallocated Benefits	5,188,089.08							
Capital Outlay								
Total Governmental Activities	24,054,583.79	-	1,507,076.23	6,699,074.41	-	(15,848,433.15)	(15,848,433.15)	
Business-Type Activities:								
Food Service	976,249.22		214,301.71	758,140.71		(3,806.80)	(3,806.80)	
Total Business-Type Activities	976,249.22		214,301.71	758,140.71		(3,806.80)	(3,806.80)	
Total Primary Government	\$ 25,030,833.01		1,721,377.94	7,457,215.12		(15,848,433.15)	(15,852,239.95)	

General Revenues:

Taxes:							
Property Taxes, Levied for General Purposes, Net			\$ 10,761,094.00			10,761,094.00	
Federal and State Aid not Restricted			5,257,999.08			5,257,999.08	
Investment Earnings					230.89	230.89	
Miscellaneous Income			200,548.62			200,548.62	
Special Items:							
Transfers			(2,749.68)		2,749.68	-	
Total General Revenues, Special Items, Extraordinary Items and Transfers			16,216,892.02		2,980.57	16,219,872.59	
Change in Net Position			368,458.87		(826.23)	367,632.64	
Net Position - Beginning			3,226,630.50		90,525.88	3,317,156.38	
Net Position - Ending			\$ 3,595,089.37		89,699.65	3,684,789.02	

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, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 3,163,589.71		19,977.10	3,183,566.81
Receivables from Other Governments	92,426.86	590,196.00	129,668.96	812,291.82
Interfunds Receivable	170,891.39			170,891.39
Restricted Cash & Cash Equivalents	403,298.00			403,298.00
Total Assets	<u>3,830,205.96</u>	<u>590,196.00</u>	<u>149,646.06</u>	<u>4,570,048.02</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	50,601.27	151,253.67		201,854.94
Interfunds Payable	10,518.73	170,464.98	25.35	181,009.06
Unearned Revenues		309,659.85		309,659.85
Total Liabilities	<u>61,120.00</u>	<u>631,378.50</u>	<u>25.35</u>	<u>692,523.85</u>
Fund Balances:				
Restricted Fund Balance:				
Excess Surplus	1,145,535.92			1,145,535.92
Excess Surplus - Designated for Subsequent Year's Expenditures	1,139,994.60			1,139,994.60
Capital Projects			149,620.71	149,620.71
Committed Fund Balance:				
Maintenance Reserve	300,500.00			300,500.00
Capital Reserve	604,298.00			604,298.00
Emergency Reserve	250,000.00			250,000.00
Designated for Subsequent Years Expenditures	242,173.40			242,173.40
Assigned to:				
Encumbrances				-
Unassigned				
General Fund	86,584.04			86,584.04
Special Revenue Fund		(41,182.50)		(41,182.50)
Total Fund Balances	<u>3,769,085.96</u>	<u>(41,182.50)</u>	<u>149,620.71</u>	<u>3,877,524.17</u>
Total Liabilities and Fund Balances	<u>\$ 3,830,205.96</u>	<u>590,196.00</u>	<u>149,646.06</u>	

Amounts reported for *governmental activities* in the statement of Net Position (A-1) are different because:

Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$10,835,125.05 and the accumulated depreciation is \$5,445,538.48.

5,389,586.57

Pension Liabilities Net of Deferred Outflows & Inflows

(4,839,084)

Accrued interest payments on long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

(3,983.88)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(828,953.49)

\$ 3,595,089.37

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

CITY OF WILDWOOD SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	\$ 10,761,094.00	-		10,761,094.00
Tuition Charges	1,507,076.23			1,507,076.23
Miscellaneous	151,649.75	48,898.87		200,548.62
Total Local Sources	12,419,819.98	48,898.87	-	12,468,718.85
State Sources	7,256,728.57	370,642.50	-	7,627,371.07
Federal Sources	97,828.95	1,493,558.47		1,591,387.42
Total Revenues	<u>19,774,377.50</u>	<u>1,913,099.84</u>	<u>-</u>	<u>21,687,477.34</u>
EXPENDITURES				
Current:				
Regular Instruction	4,787,781.25			4,787,781.25
Special Education Instruction	1,378,683.04	1,321,337.75		2,700,020.79
Other Instructional Programs	1,095,549.49			1,095,549.49
Support Services:				
Tuition	1,196,334.39			1,196,334.39
Student & Instruction Related Serv.	1,832,581.11	632,944.59		2,465,525.70
School Administrative Services	684,917.48			684,917.48
Other Administrative Services	807,472.46			807,472.46
Plant Operation and Maintenance	1,180,917.43			1,180,917.43
Pupil Transportation	487,347.88			487,347.88
Employee Benefits	5,188,089.08			5,188,089.08
Capital Outlay	544,741.09	-	-	544,741.09
Total Expenditures	<u>19,184,414.70</u>	<u>1,954,282.34</u>	<u>-</u>	<u>21,138,697.04</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>589,962.80</u>	<u>(41,182.50)</u>	<u>-</u>	<u>548,780.30</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-		-	-
Transfer out	(2,749.68)			(2,749.68)
Total Other Financing Sources and Uses	<u>(2,749.68)</u>	<u>-</u>	<u>-</u>	<u>(2,749.68)</u>
Net Changes in Fund Balance	587,213.12	(41,182.50)	-	546,030.62
Fund Balance (Deficit) - July 1	3,181,872.84	-	149,620.71	3,331,493.55
Fund Balance (Deficit) - June 30	<u>\$ 3,769,085.96</u>	<u>(41,182.50)</u>	<u>149,620.71</u>	<u>3,877,524.17</u>

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

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, 2016

Total Net Change in Fund Balance - Governmental Funds (from B-2)	\$	546,030.62
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>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.</p>		
	Depreciation expense	\$ (313,993.06)
	Capital Outlays	<u>304,460.44</u>
		(9,532.62)
<p>Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of of employee contributions is reported as pension expense.</p>		
	District pension contributions - PERS	206,992.00
	Cost of benefits earned net of employee contributions	<u>(554,262.00)</u>
		(347,270.00)
<p>Repayment of capital leases is an expenditure in the governmental funds, but the payment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.</p>		
		183,471.07
<p>In the statement of activities, interest on capital leases in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an reduction in the reconciliation.</p>		
		2,512.05
<p>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 (+).</p>		
		(6,752.25)
Change in Net Position of Governmental Activities	<u>\$</u>	<u><u>368,458.87</u></u>

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

CITY OF WILDWOOD SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2016

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 42,825.68	42,825.68
Accounts Receivable:		
Federal	35,224.60	35,224.60
State	305.69	305.69
Other	16,297.81	16,297.81
Interfunds	10,518.73	10,518.73
Inventory	5,919.45	5,919.45
Total Current Assets	<u>111,091.96</u>	<u>111,091.96</u>
Noncurrent Assets:		
Furniture, Machinery & Equipment	125,277.15	125,277.15
Less: Accumulated Depreciation	<u>(100,194.98)</u>	<u>(100,194.98)</u>
Total Noncurrent Assets	<u>25,082.17</u>	<u>25,082.17</u>
 Total Assets	 <u>136,174.13</u>	 <u>136,174.13</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	<u>46,474.48</u>	<u>46,474.48</u>
Total Current Liabilities	<u>46,474.48</u>	<u>46,474.48</u>
NET POSITION		
Net Investment in Capital Assets	25,082.17	25,082.17
Unrestricted	64,617.48	64,617.48
 Total Net Position	 <u>\$ 89,699.65</u>	 <u>89,699.65</u>

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

CITY OF WILDWOOD SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals Enterprise
Operating Revenues:		
Charges for Services:		
Daily Sales - All programs	\$ 214,301.71	\$ 214,301.71
Total Operating Revenue	<u>214,301.71</u>	<u>214,301.71</u>
Operating Expenses:		
Cost of Sales	422,995.36	422,995.36
Salaries	277,702.61	277,702.61
Employee Benefits	114,907.74	114,907.74
Materials and Supplies	19,156.44	19,156.44
Other Direct Costs	48,278.89	48,278.89
Purchased Services	85,850.00	85,850.00
Depreciation	7,358.18	7,358.18
Miscellaneous	-	-
Total Operating Expenses	<u>976,249.22</u>	<u>976,249.22</u>
Operating Income (Loss)	<u>(761,947.51)</u>	<u>(761,947.51)</u>
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	7,172.92	7,172.92
Federal Sources:		
National School Lunch Program	384,859.11	384,859.11
National School Lunch Program - PB	7,666.38	7,666.38
School Breakfast Program	228,368.93	228,368.93
After School Snacks	22,950.48	22,950.48
Dinner	39,154.19	39,154.19
Fresh Fruit and Vegetable Program	25,807.18	25,807.18
Food Distribution Program	31,642.79	31,642.79
NSLP Equipment Grant	10,518.73	10,518.73
Interest and Investment Income	230.89	230.89
Total Nonoperating Revenues (Expenses)	<u>758,371.60</u>	<u>758,371.60</u>
Income (Loss) before Contributions & Transfers	<u>(3,575.91)</u>	<u>(3,575.91)</u>
Transfers In (Out)	<u>2,749.68</u>	<u>2,749.68</u>
Changes in Net Position	(826.23)	(826.23)
Total Net Position - Beginning	<u>90,525.88</u>	<u>90,525.88</u>
Total Net Position - Ending	<u>\$ 89,699.65</u>	<u>\$ 89,699.65</u>

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

CITY OF WILDWOOD SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 212,153.19	212,153.19
Payments to Management Company for Operating Expenses	(988,332.74)	(988,332.74)
Net Cash Provided by (Used for) Operating Activities	<u>(776,179.55)</u>	<u>(776,179.55)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	7,332.68	7,332.68
Federal Sources	784,027.92	784,027.92
Interfunds	8,243.66	8,243.66
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>799,604.26</u>	<u>799,604.26</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Assets Purchased	(24,097.00)	(24,097.00)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(24,097.00)</u>	<u>(24,097.00)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and Dividends	230.89	230.89
Net Cash Provided by (Used for) Investing Activities	<u>230.89</u>	<u>230.89</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(441.40)	(441.40)
Balance - Beginning of Year	43,267.08	43,267.08
Balance - End of Year	<u>42,825.68</u>	<u>42,825.68</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	(761,947.51)	(761,947.51)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:		
Federal Commodities		-
Depreciation and Net Amortization	7,358.18	7,358.18
(Increase) Decrease in Accounts Receivable	(2,148.52)	(2,148.52)
(Increase) Decrease in Inventory	(1,784.81)	(1,784.81)
Increase (Decrease) in Accounts Payable	(17,656.89)	(17,656.89)
Increase (Decrease) in Prepaid Student Lunches	-	-
Total Adjustments	<u>(14,232.04)</u>	<u>(14,232.04)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (776,179.55)</u>	<u>(776,179.55)</u>

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

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Statement of Net Position
June 30, 2016

	Unemployment Compensation	Private Purpose Scholarship Fund	Agency Fund
ASSETS			
Cash and Cash Equivalents	\$ 92,797.86	\$ 227,444.88	\$ 94,109.61
Interfunds Receivable	-		-
	<u>\$ 92,797.86</u>	<u>\$ 227,444.88</u>	<u>\$ 94,109.61</u>
Total Assets	<u>\$ 92,797.86</u>	<u>\$ 227,444.88</u>	<u>\$ 94,109.61</u>
LIABILITIES			
Accounts Payable	\$ 1,476.98	\$ -	\$ -
Payroll Deductions and Withholdings			21,618.27
Interfunds Payable	-		401.06
Due to Student Groups			72,090.28
	<u>1,476.98</u>	<u>-</u>	<u>\$ 94,109.61</u>
Total Liabilities	<u>1,476.98</u>	<u>-</u>	<u>\$ 94,109.61</u>
NET POSITION			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 91,320.88</u>		
Reserved for Scholarships		<u>\$ 227,444.88</u>	

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

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2016

	<u>Unemployment Compensation</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS		
Contributions:		
Plan Member	\$ 33,051.84	\$ -
Other	-	52,138.31
Total Contributions	<u>58,051.84</u>	<u>52,138.31</u>
Investment Earnings:		
Net Increase (Decrease) in Fair Value		
Interest	326.01	-
Less: Investment Expense		
Net Investment Earnings	<u>326.01</u>	<u>-</u>
Total Additions	<u>58,377.85</u>	<u>52,138.31</u>
DEDUCTIONS		
Unemployment Claims	12,701.51	
Scholarships Awarded		37,881.00
Other	11,907.07	
Total Deductions	<u>24,608.58</u>	<u>37,881.00</u>
Changes in Net Position	33,769.27	14,257.31
Net Position (Deficit) - Beginning of the Year	57,551.61	213,187.57
Net Position - End of the Year	<u>\$ 91,320.88</u>	<u>\$ 227,444.88</u>

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Wildwood School 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 financial statements of the Board of Education (Board) of the City of Wildwood School District (District) have been prepared in conformity with generally accepted accounting principles (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. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. Reporting Entity

The City of Wildwood School District is a Type II district located in the County of Cape May, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. Effective with the 2012 fiscal year, the election of Board Members was moved to the general election in November resulting in the members whose term would have expired in April of 2012 being carried over to December 31, 2012. The purpose of the district is to educate students in grades K-12. The City of Wildwood School District had an enrollment at June 30, 2016 of 850 students.

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.

B. Basic Financial Statements – Government Wide Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's food service program is classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non major funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the District:

Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. 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.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed.

Proprietary Funds:

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

Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District's enterprise fund consists of the following:

Food Service Fund – provides for the operation of food services in all schools within the district.

Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and is reported using accounting principles similar to proprietary funds.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.), and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

All fund internal activity is eliminated when carried to the Government-wide statements.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. Financial Statement Amounts

1. Cash and Cash Equivalents:

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. 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.

NJSA 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.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2016, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	\$	4,786.62
Supplies		<u>1,132.83</u>
	\$	<u>5,919.45</u>

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2016 is \$1,865.00.

4. Capital Assets:

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

7. Compensated Absences:

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

8. Interfund Activity:

Interfund activity is reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

9. 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, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

Regular Programs-Instruction	
Kindergarten Salaries of Teachers	\$ 76,000.00
Grades 6-8 Salaries of Teachers	83,000.00
Resource Room/Resource Center	
Salaries of Teachers	(200,000.00)
Undistributed Expenditures-Support Serv. -School Admin.	
Other Salaries	45,664.00
Undistributed Expenditures-Student Transportation Serv.	
Contr. Serv.-(Spec. Ed Students)-Joint Agrmt	67,025.00

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

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 payments 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.

10. Encumbrances

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

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

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

11. Tuition Receivable

Tuition charges were established by the Boards of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. The final cost is based on agreements with the North Wildwood, Wildwood Crest and West Wildwood Boards of Education with a negotiated amount up to the final cost as determined by State of New Jersey.

12. Tuition Payable

Tuition charges for the fiscal years 2015/16 and 2014/15 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

13. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

14. Allocation of Costs

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

15. Pensions:

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

F. Recent Accounting Changes

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans". This statement, which is effective for fiscal periods beginning after June 30, 2016, establishes new accounting and financial reporting requirements for OPEB plans. It is anticipated that this statement will not have any effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement is effective for fiscal periods beginning after June 30, 2017. Although not determinable, the impact of this statement on the net position of the entity is anticipated to be significant.

In August 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 77, "Tax Abatement Disclosure". This statement is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the District's financial reporting.

In December 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 78, "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans". This statement is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the District's financial reporting.

In January 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 80, "Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14". This statement is effective for fiscal periods beginning after December 15, 2016, will not have any effect on the District's financial reporting.

In March 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 81, "Irrevocable Split-Interest Agreements". This statement is effective for fiscal periods beginning after December 15, 2016, will not have any effect on the District's financial reporting.

In March 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 82, "Pension Issues- an amendment of GASB Statements No. 67, No. 68, and No 73". This statement is effective for fiscal periods beginning after June 15, 2016, will not have any effect on the District's financial reporting, however will affect the disclosure of pension related items.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

NOTE 2 – CASH AND CASH EQUIVALENTS

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2016, \$0 of the government's bank balance of \$4,489,619.13 was exposed to custodial credit risk.

NOTE 3 – INVESTMENTS

As of June 30, 2016, the District had the following investments:

	<u>Maturities</u>	<u>Fair Value</u>
Certificate of Deposit	6 months	\$ 8,664.14
Total		<u>\$ 8,664.14</u>

Interest Rate Risk. The district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investment to 397 days.

Credit Risk. New Jersey Statutes 18A:20-37 limits district investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the district or the local units in which the district is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk. The district places no limit on the amount the district may invest in any one issuer.

NOTE 4 – RECEIVABLES

Receivables at June 30, 2016, consisted of accounts (tuition), interfund, and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Governmental Fund Financial Statements</u>	<u>Government Wide Financial Statements</u>
State Aid	\$ 151,048.94	\$ 151,354.63
Federal Aid	590,196.00	625,420.60
Other	<u>71,046.88</u>	<u>87,344.69</u>
Gross Receivables	812,291.82	864,119.92
Less: Allowance for Uncollectibles		
Total Receivables, Net	<u>\$ 812,291.82</u>	<u>\$ 864,119.92</u>

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

NOTE 5 – INTERFUND TRANSFERS AND BALANCES

The following interfund balances remained on the fund financial statements at June 30, 2016:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 170,891.39	10,518.73
Special Revenue Fund		170,464.98
Food Service Fund	10,518.73	
Trust and Agency Funds		401.06
Capital Projects Fund		25.35
Total	<u>\$ 181,410.12</u>	<u>181,410.12</u>

The General Fund receivable is comprised of three interfunds. The first is due from the Capital Projects Fund in the amount of \$25.35 for interest earned due to the general fund. The second interfund of \$170,464.98 is due from the Special Revenue Fund as a result of expenditures being incurred for grants prior to reimbursements received. The third interfund is due from the Trust and Agency Funds for payroll and payroll agency interest earned due to the general fund. There is also an interfund payable from the General Fund to the Food Service Fund of \$10,518.73 for the remaining portion of the School Meals Equipment and School Breakfast Expansion grant received.

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**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

NOTE 6 – CAPITAL ASSETS

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

	Beginning Balance	Additions	Disposals/ Adjustments	Ending Balance
Governmental activities:				
Capital assets, not depreciated:				
Land	\$ 205,000.00			205,000.00
Construction in Progress	1,076,608.73		1,076,608.73	-
Total capital assets not being depreciated	<u>1,281,608.73</u>	<u>-</u>	<u>1,076,608.73</u>	<u>205,000.00</u>
Capital assets being depreciated:				
Land Improvements	76,050.67			76,050.67
Buildings and building improvements	8,519,263.56	131,148.44	(1,076,608.73)	9,727,020.73
Machinery and equipment	677,041.65	139,823.00	23,300.00	793,564.65
Licensed Vehicles	-	33,489.00		33,489.00
Total capital assets being depreciated	<u>9,272,355.88</u>	<u>304,460.44</u>	<u>(1,053,308.73)</u>	<u>10,630,125.05</u>
Less accumulated depreciation for:				
Land Improvements	(55,250.67)	(1,600.00)		(56,850.67)
Buildings and building improvements	(4,655,916.48)	(202,921.25)		(4,858,837.73)
Machinery and equipment	(443,678.27)	(107,029.90)	(23,300.00)	(527,408.17)
Licensed Vehicles	-	(2,441.91)		(2,441.91)
Total accumulated depreciation	<u>(5,154,845.42)</u>	<u>(313,993.06)</u>	<u>(23,300.00)</u>	<u>(5,445,538.48)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>4,117,510.46</u>	<u>(9,532.62)</u>	<u>(1,076,608.73)</u>	<u>5,184,586.57</u>
Governmental activity capital assets, net	<u>5,399,119.19</u>	<u>(9,532.62)</u>	<u>-</u>	<u>5,389,586.57</u>
Business-type activities:				
Capital assets being depreciated:				
Machinery and equipment	120,936.27	24,097.00	19,756.12	125,277.15
Less accumulated depreciation	(112,592.92)	(7,358.18)	(19,756.12)	(100,194.98)
Business-type capital assets, net	<u>\$ 8,343.35</u>	<u>16,738.82</u>	<u>-</u>	<u>25,082.17</u>

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 119,870.67
Special Ed. Instruction	67,599.85
Other Special Ed.	27,429.04
Student and Instruction Related Services	61,728.85
General and Business Administration	20,216.52
School Administration	17,148.13
	<u>\$ 313,993.06</u>

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

No interest on debt was capitalized during the year and the amount of interest expense paid on long term debt was \$3,983.88.

NOTE 7 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2016 are as follows:

	Balance June 30, 2015	Issues or Additions	Payments or Expenditures	Balance June 30, 2016	Amounts Due Within One Year
Obligations under Capital Leases	\$ 747,547.20	-	183,471.07	564,076.13	189,175.36
Compensated Absences	258,125.11	6,752.25	-	264,877.36	-
	<u>\$ 1,005,672.31</u>	<u>6,752.25</u>	<u>183,471.07</u>	<u>828,953.49</u>	<u>189,175.36</u>

Compensated absences have been liquidated in the General Fund.

NOTE 8 – OPERATING LEASES

The district entered into several leasing agreements for the rental of several district-wide copy machines. The leases provides for monthly payments of \$2,414.02 for varying lease terms with the last lease terminating August 31, 2016. Rental expense for the year ended June 30, 2016 was \$28,968.24. The district also leased classroom space for the preschool program for 2015-2016 from St. Simeon's By the Sea. Rental expense for the year ended June 30, 2016 was \$135,563.17. Future minimum lease payments are as follows:

Fiscal Year End June 30,	Payment
2017	7,039.60
Total	<u>\$ 7,039.60</u>

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 Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/annrpts/achive.htm>.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

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, 2016.

Funding Policy

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 current TPAF rate is 7.06% and the PERS rate is 7.06% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2016, 2015 and 2014 were \$0, \$0 and \$0, respectively. The School District's contributions to PERS for the years ending June 30, 2016, 2015 and 2014 were \$206,992, \$209,616 and \$182,570, respectively, equal to the required contributions for each year.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

During the fiscal years ended June 30, 2016, 2015 and 2014, the State of New Jersey contributed \$760,044, \$707,512 and \$570,959, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$608,129.07, \$608,900.04 and \$596,652.06, 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.

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

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Teacher's Pension and Annuity Fund (TPAF) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS and TPAF hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the systems is increased from age 63 to 65 for Tier 5 members.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years. For fiscal year 2013, the member contribution rates increased in October 2012. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS and TPAF from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS and TPAF to 1/60th from 1/55th, and it provided that new members of PERS and TPAF have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS and TPAF will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. The law also requires the State to make its full pension contribution, defined as 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS and TPAF with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 10: PUBLIC EMPLOYEES RETIREMENT SYSTEM

At June 30, 2016, the District reported a liability of \$5,404,840.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the District's proportion was 0.02407715980%, which was a decrease of 5.31% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$344,646.00. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expended and actual experience	\$ 128,940	
Changes of assumptions	580,437	
Net difference between projected and actual earnings on pension plan investments		86,899
Changes in proportion and differences between District contributions and proportionate share of contributions	157,682	214,404
District contributions subsequent to the measurement date	206,992	
Total	<u>\$ 1,074,051</u>	<u>301,303</u>

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

\$206,992.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (June 30, 2015) will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,		
2017	\$	105,935
2018		105,935
2019		105,935
2020		159,019
2021		89,873
Total	\$	<u>566,697</u>

Actuarial Assumptions

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

Inflation rate	3.01%
Salary increases:	
2012-2021	2.15% - 4.40% (based on age)
Thereafter	3.15% - 5.40% (based on age)
Investment rate of return:	7.90%

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

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

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

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

Asset Class	Target Allocation	Expected Real Rate of Return
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	0.40%
REIT	4.25%	5.12%

Discount Rate

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

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

	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (4.90%)
District's proportionate share of the net pension liability	\$ 5,671,095	5,404,840	3,531,117

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

NOTE 11. TEACHERS' PENSION AND ANNUITY FUND (TPAF)

At June 30, 2016, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	
State's proportionate share of the net position liability associated with the District	<u>52,102,816</u>
Total	<u>\$ 52,102,816</u>

The net pension liability was measured as of June 30, 2015 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2015, the District's proportion was 0.00%, which was a decrease of 0.00% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$3,181,346 and revenue of \$3,181,346 for support provided by the State. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to TPAF from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expensed and actual experience	\$ 264,804	15,696
Changes of assumptions	5,935,489	
Net difference between projected and actual earnings on pension plan investments		441,327
Changes in proportion and differences between District contributions and proportionate share of contributions	\$ 1,110,481	
District contributions subsequent to the measurement date	<u>443,031</u>	
Total	<u>\$ 7,753,805</u>	<u>457,023</u>

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City of Wildwood School District
Notes to Financial Statements
June 30, 2016

\$443,031.00 reported as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date (June 30, 2015) will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2017	\$ 805,041
2018	805,041
2019	805,041
2020	1,233,227
2021	1,043,738
Thereafter	2,160,889
Total	<u>\$ 6,852,977</u>

Actuarial assumptions. The total pension liability in the June 30, 2015 actuarial valuation was determined using the following assumptions, applied to all period included in the measurement:

Inflation Rate	2.50%
Salary increases	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment rate of return	7.90%

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

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

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rate of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2015 are summarized in the following table:

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US Cash	5.00%	53.00%
US Government Bonds	1.75%	1.39%
US Credit Bonds	13.50%	2.72%
US Mortgages	2.10%	2.54%
US Inflation-Indexed Bonds	1.50%	1.47%
US High Yield Bonds	2.00%	4.57%
US Equity Market	27.25%	5.63%
Foreign Developed Equity	12.00%	6.22%
Emerging market equities	6.40%	8.46%
Private Real Estate Property	4.25%	3.97%
Timber	1.00%	4.09%
Farmland	1.00%	4.61%
Private equity	9.25%	9.15%
Commodities	1.00%	3.58%
Hedge Funds - Multi Strategy	4.00%	4.59%
Hedge Funds - Equity Hedge	4.00%	5.68%
Hedge Funds - Distressed	4.00%	4.30%

Discount rate. The discount rate used to measure the total pension liability was 4.13% and 4.68% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 4.13% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.13%) or 1-percentage point higher (5.13%) than the current rate:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
District's proportionate share of the net pension liability	\$ -	-	-

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued TPAF financial report.

NOTE 12 – 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. 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. 2008, 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, 2012, there were 97,661 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 \$214.1 million toward Chapter 126 benefits for 19,056 eligible retired members in Fiscal Year 2015. The State also makes on-behalf payments for Teacher Pension and Annuity Program retirees for health benefits. The on-behalf amount paid by the State of New Jersey in fiscal year 2016 was \$760,044.

NOTE 13 – 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 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 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, 2016, no liability existed for compensated absences in the Food Service Enterprise Fund.

NOTE 14 – 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 15 – 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.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

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

Beginning Balance, July 1, 2015	\$ 350,018.00
Excess Funds Transferred by Board Resolution - June 2016	<u>351,000.00</u> 701,018.00
Appropriated Withdrawal	<u>(96,720.00)</u>
Ending Balance, June 30, 2016	<u>\$ 604,298.00</u>

NOTE 16 – 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. During the fiscal year ended June 30, 2016 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

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 previous two years:

<u>Fiscal Year</u>	<u>Interest on Investments</u>	<u>Employee/Board Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015-2016	\$ 326.01	58,051.84	(24,608.58)	91,320.88
2014-2015	206.58	25,758.00	(17,512.28)	57,551.61
2013-2014	74.26	77,978.23	(54,247.92)	49,099.31

NOTE 17 – 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 18 – 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.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

NOTE 19 – LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district.

NOTE 20 – COMMITMENTS

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

Fund	Amount
General Fund Encumbered Orders	\$ 142,144.79
Special Revenue Fund - Encumbered Orders	41,884.85
	<u>\$ 184,029.64</u>

NOTE 21 – FUND BALANCE APPROPRIATED

General Fund – Of the \$3,769,085.96 General Fund fund balance, at June 30, 2016, \$142,144.79 is reserved for encumbrances, however \$0.00 is shown as committed on the balance sheet since GASB requires that unassigned fund balance cannot be a deficit when assigned balances are available; \$2,285,530.52 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$1,139,994.60 of the total reserve for excess surplus will be appropriated and included as anticipated revenue for the year ending June 30, 2017), \$242,173.40 has been legally restricted and included as anticipated revenue for the year ending June 30, 2017. \$604,298 has been reserved in the Capital Reserve Account; \$300,500 has been reserved in a Maintenance Reserve Account; \$250,000 has been reserved in an Emergency Reserve Account; and \$86,584.04 is classified as unassigned, after adjusting.

NOTE 22 – CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. 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, 2016 is \$2,285,530.52, of which \$1,139,994.60 has been appropriated and included as anticipated revenue for the year ended June 30, 2017.

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**City of Wildwood School District
Notes to Financial Statements
June 30, 2016**

NOTE 23 – DEFICIT FUND BALANCES

The District has a deficit fund balance of \$41,182.50 in the Special Revenue Fund as of June 30, 2016 as reported in the fund statements (modified accrual basis). N.J.S.A.18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the 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. This amount was \$41,182.50 in the Special Revenue Fund. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

NOTE 24 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2016 through November 30, 2016, the date that the financial statements were available to be 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.

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REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

**CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 10,761,094.00	\$ -	\$ 10,761,094.00	\$ 10,761,094.00	\$ -
Tuition	1,489,275.00	-	1,489,275.00	1,507,076.23	17,801.23
Interest Earned on Investments				15,626.14	15,626.14
Miscellaneous	51,819.00	-	51,819.00	136,023.61	84,204.61
Total Local Sources	12,302,188.00	-	12,302,188.00	12,419,819.98	117,631.98
State Sources:					
Extraordinary Aid	-	-	-	28,527.00	28,527.00
Categorical Special Education Aid	394,801.00		394,801.00	394,801.00	-
Equalization Aid	812,938.00		812,938.00	812,938.00	-
Categorical Security Aid	274,601.00		274,601.00	274,601.00	-
Adjustment Aid	3,567,304.00		3,567,304.00	3,567,304.00	-
Categorical Transportation Aid	120,076.00		120,076.00	120,076.00	-
PARC Readiness Aid	7,750.00		7,750.00	7,750.00	-
Per Pupil Growth Aid	7,750.00		7,750.00	7,750.00	-
Non Public Transportation Aid	-		-	348.00	348.00
TPAF Contributions (On-Behalf - Non-Budgeted):					
Pension Contributions				1,398,348.00	1,398,348.00
TPAF Social Security (Reimbursed-Non-Budgeted)					
Total State Sources	5,185,220.00	-	5,185,220.00	7,220,572.07	608,129.07
Federal Sources:					
Medicaid Reimbursement	19,090.00		19,090.00	97,828.95	78,738.95
Total Federal Sources	19,090.00	-	19,090.00	97,828.95	78,738.95
Total Revenues	17,506,498.00	-	17,506,498.00	19,738,221.00	2,231,723.00

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Preschool Salaries	\$ 4,100.00		4,100.00	1,500.00	2,600.00
Kindergarten Salaries of Teachers	217,193.00	76,000.00	293,193.00	292,618.11	574.89
Grades 1 - 5 Salaries of Teachers	1,294,992.00	(15,500.00)	1,279,492.00	1,261,189.00	18,303.00
Grades 6 - 8 Salaries of Teachers	842,071.00	83,000.00	925,071.00	918,516.44	6,554.56
Grades 9 - 12 Salaries of Teachers	1,858,597.00	26,432.00	1,885,029.00	1,871,546.91	13,482.09
Regular Programs - Home Instruction					
Salaries of Teachers	20,000.00		20,000.00	4,257.60	15,742.40
Purchased Professional - Educational Services	20,000.00		20,000.00	1,119.00	18,881.00
Regular Programs - Undistributed Instruction					
Personal Services - Salaries	3,000.00	7,065.00	10,065.00	10,065.00	-
Other Salaries for Instruction	36,488.00	(3,000.00)	33,488.00	887.00	32,601.00
Purchased Professional - Educational Services	12,000.00		12,000.00	1,776.14	10,223.86
Purchased Technical Services	10,000.00		10,000.00	6,656.00	3,344.00
Other Purchased Services (400-500 series)	107,000.00		107,000.00	98,966.51	8,033.49
General Supplies	316,231.00	418.17	316,649.17	288,452.01	28,197.16
Textbooks	16,500.00	15,817.01	32,317.01	25,037.74	7,279.27
Other Objects	12,500.00		12,500.00	5,193.79	7,306.21
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,770,672.00	190,232.18	4,960,904.18	4,787,781.25	173,122.93
Multiple Disabilities					
Salaries of Teachers	281,582.00		281,582.00	239,056.36	42,525.64
Other Salaries for Instruction	95,470.00		95,470.00	70,297.00	25,173.00
General Supplies	4,000.00		4,000.00	1,841.79	2,158.21
Textbooks	3,000.00		3,000.00		3,000.00
Total Multiple Disabilities	384,052.00	-	384,052.00	311,195.15	72,856.85
Resource Room/Resource Center					
Salaries of Teachers	1,250,702.00	(200,000.00)	1,050,702.00	976,269.86	74,432.14
General Supplies	12,000.00		12,000.00	6,544.14	5,455.86
Textbooks	4,000.00		4,000.00		4,000.00
Total Resource Room/Resource Center	1,266,702.00	(200,000.00)	1,066,702.00	982,814.00	83,888.00

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Preschool Disabilities - Full Time					
Salaries of Teachers	58,927.00		58,927.00	57,412.00	1,515.00
Other Salaries for Instruction	35,208.00		35,208.00	23,799.76	11,408.24
General Supplies	1,500.00		1,500.00	351.13	1,148.87
Total Preschool Disabilities - Full Time	95,635.00	-	95,635.00	81,562.89	14,072.11
Home Instruction					
Salaries of Teachers	15,000.00		15,000.00	495.00	14,505.00
Purchased Professional - Educational Services	10,000.00		10,000.00	2,616.00	7,384.00
Total Home Instruction	25,000.00	-	25,000.00	3,111.00	21,889.00
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,771,389.00	(200,000.00)	1,571,389.00	1,378,683.04	192,705.96
Basic Skills/Remedial					
Salaries of Teachers	271,722.00	(38,000.00)	233,722.00	183,458.37	50,263.63
Total Basic Skills/Remedial	271,722.00	(38,000.00)	233,722.00	183,458.37	50,263.63
Bilingual Education - Instruction					
Salaries of Teachers	295,949.00	3,085.00	299,034.00	299,029.48	4.52
Other Salaries for Instruction	67,890.00		67,890.00	66,539.18	1,350.82
Supplies and Materials	2,000.00		2,000.00	54.39	1,945.61
Total Bilingual Education - Instruction	365,839.00	3,085.00	368,924.00	365,623.05	3,300.95
School-Spon. Cocurricular Activities - Instruction					
Salaries	75,000.00	10,000.00	85,000.00	84,543.00	457.00
Purchased Services (300-500 series)	4,500.00		4,500.00	2,391.50	2,108.50
Supplies and Materials	5,450.00		5,450.00	4,597.50	852.50
Other Objects	1,500.00		1,500.00	947.00	553.00
Total School-Spon. Cocurricular Activities - Inst.	86,450.00	10,000.00	96,450.00	92,479.00	3,971.00

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
School-Spon. Cocurricular Athletics - Instruction					
Salaries	342,182.00		342,182.00	317,976.01	24,205.99
Purchased Services (300-500 series)	51,750.00	(600.00)	51,150.00	34,493.89	16,656.11
Supplies & Materials	85,000.00	375.00	85,375.00	85,359.07	15.93
Other Objects	10,000.00	300.00	10,300.00	10,292.50	7.50
Total School-Spon. Cocurricular Athletics - Inst.	488,932.00	75.00	489,007.00	448,121.47	40,885.53
Community Service Operations					
Salaries	10,000.00		10,000.00	930.00	9,070.00
Purchased Services (300-500 series)	10,000.00		10,000.00	500.00	9,500.00
Supplies & Materials	10,000.00		10,000.00	4,437.60	5,562.40
Total Community Services	30,000.00	-	30,000.00	5,867.60	24,132.40
TOTAL OTHER INSTRUCTIONAL PROGRAMS- INSTRUCTION	1,242,943.00	(24,840.00)	1,218,103.00	1,095,549.49	122,553.51
TOTAL INSTRUCTION	7,785,004.00	(34,607.82)	7,750,396.18	7,262,013.78	488,382.40
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	131,234.00		131,234.00	64,433.51	66,800.49
Tuition to Other LEAs Within the State-Special	25,000.00		25,000.00		25,000.00
Tuition to County Voc. School Dist. - Regular	220,590.00		220,590.00	220,590.00	-
Tuition to CSSD & Regional Day Schools	724,052.00	(37,893.00)	686,159.00	630,457.05	55,701.95
Tuition to Private Schools for the Disabled - Within State	116,284.00		154,177.00	119,323.83	34,853.17
Tuition - State Facilities	161,530.00		161,530.00	161,530.00	-
Total Undistributed Expenditures - Instruction	1,378,690.00	-	1,378,690.00	1,196,334.39	182,355.61
Undistributed Expend. - Attend. & Social Worker					
Salaries	82,877.00	980.00	83,857.00	83,853.12	3.88
Other Purchased Services (400-500 series)	15,250.00		15,250.00	14,781.00	469.00
Supplies & Materials	250.00		250.00		250.00
Total Undist. Expend. - Attend. & Social Worker	98,377.00	980.00	99,357.00	98,634.12	722.88

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undistributed Expend. - Health Services					
Salaries	139,647.00	2,680.00	142,327.00	142,070.10	256.90
Purchased Professional and Technical Services	40,000.00	(1,500.00)	38,500.00	32,847.00	5,653.00
Purchased Services (400-500 series)	2,200.00	1,500.00	3,700.00	3,044.84	655.16
Supplies & Materials	9,000.00		9,000.00	5,100.61	3,899.39
Other Objects	300.00		300.00	170.00	130.00
Total Undistributed Expend. - Health Services	<u>191,147.00</u>	<u>2,680.00</u>	<u>193,827.00</u>	<u>183,232.55</u>	<u>10,594.45</u>
Undist. Expend. - Speech, OT, PT & Related Services					
Related Services					
Salaries	104,639.00	3,015.00	107,654.00	107,650.00	4.00
Purchased Professional - Educational Services	55,000.00	(240.00)	54,760.00	36,730.00	18,030.00
Supplies & Materials	3,500.00		3,500.00	2,116.83	1,383.17
Other Objects	200.00		200.00	200.00	-
Total Undist. Expend. - Speech, OT, PT and Related Services	<u>163,339.00</u>	<u>2,775.00</u>	<u>166,114.00</u>	<u>146,496.83</u>	<u>19,617.17</u>
Undist. Expend. - Other Support Services - Students					
Extraordinary Services					
Salaries	98,317.00	38,000.00	136,317.00	134,629.88	1,687.12
Purchased Professional - Educational Services	45,000.00		45,000.00	34,430.00	10,570.00
Supplies & Materials	4,500.00		4,500.00	4,500.00	-
Undist. Expend. - Other Support Services - Students Extra Services	<u>147,817.00</u>	<u>38,000.00</u>	<u>185,817.00</u>	<u>169,059.88</u>	<u>16,757.12</u>
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	224,379.00	1,000.00	225,379.00	224,643.04	735.96
Salaries of Secretarial and Clerical Assistants	112,995.00		112,995.00	109,279.19	3,715.81
Purchased Professional and Technical Services	34,000.00	4,000.00	38,000.00	37,904.98	95.02
Other Purchased Services (400-500 series)	500.00		500.00	362.48	137.52
Supplies & Materials	5,500.00		5,500.00	5,410.31	89.69
Total Undist. Expend. - Other Support Services Guidance	<u>377,374.00</u>	<u>5,000.00</u>	<u>382,374.00</u>	<u>377,600.00</u>	<u>4,774.00</u>

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undist. Expend. - Other Support Serv. Students - Child Study Teams					
Salaries of Other Professional Staff	388,154.00		388,154.00	362,274.14	25,879.86
Salaries of Secretarial and Clerical Assistants	47,121.00		47,121.00	25,270.88	21,850.12
Other Salaries	9,000.00		9,000.00	6,442.50	2,557.50
Other Purchased Professional and Tech. Services	50,000.00	(7,000.00)	43,000.00	12,555.00	30,445.00
Misc. Purchased Serv. (400-500 series Other Than Resid. Costs)	9,500.00		9,500.00	7,874.57	1,625.43
Supplies & Materials	6,000.00		6,000.00	8,932.21	67.79
Other Objects	1,500.00	3,000.00	1,500.00	1,404.50	95.50
Total Undist. Expend. - Other Support Services Students - Child Study Teams	<u>511,275.00</u>	<u>(4,000.00)</u>	<u>507,275.00</u>	<u>424,753.80</u>	<u>82,521.20</u>
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	93,011.00	1,501.00	94,512.00	94,505.50	6.50
Salaries of Secr and Clerical Assist.	47,121.00		47,121.00	25,270.88	21,850.12
Other Salaries	45,000.00	(20,000.00)	25,000.00	12,300.00	12,700.00
Other Purchased Professional and Tech. Services	20,000.00	20,000.00	40,000.00	36,470.00	3,530.00
Other Purchased Services (400-500 series)	12,800.00		12,800.00	3,798.78	9,001.22
Supplies & Materials	2,000.00		2,000.00	953.65	1,046.35
Other Objects	12,000.00		12,000.00	7,834.10	4,165.90
Total Undist. Expend. - Improvement of Inst. Serv.	<u>231,932.00</u>	<u>1,501.00</u>	<u>233,433.00</u>	<u>181,132.91</u>	<u>52,300.09</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	152,220.00	-	152,220.00	149,335.00	2,885.00
Salaries of Technology Coordinators	71,783.00	2,208.00	73,991.00	73,990.67	0.33
Other Purchased Services (400-500 series)	6,700.00	-	6,700.00	6,575.83	124.17
Supplies & Materials	27,500.00	(1,050.00)	26,450.00	21,769.52	4,680.48
Other Objects	1,000.00		1,000.00		1,000.00
Total Undistributed Expenditures - Educational Media Services - School Library	<u>259,203.00</u>	<u>1,158.00</u>	<u>260,361.00</u>	<u>251,671.02</u>	<u>8,689.98</u>

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	198,732.00	705.00	199,437.00	199,434.10	2.90
Legal Services	25,000.00	23,900.00	48,900.00	42,521.78	6,378.22
Audit Services	32,000.00	(2,529.00)	29,471.00	28,500.00	971.00
Architect Services	-	10,000.00	10,000.00	8,750.00	1,250.00
Other Purchased Professional Services	15,000.00	9,529.00	24,529.00	24,529.00	-
Communications/Telephone	54,400.00	(1,000.00)	53,400.00	49,082.27	4,317.73
BOE - Other Purchased Services	2,500.00	60.43	2,560.43	1,541.18	1,019.25
Other Purchased Services (400-500 series)	45,500.00	(1,452.98)	44,047.02	43,925.06	121.96
General Supplies	10,000.00	(800.00)	9,200.00	9,010.33	189.67
Miscellaneous Expenditures	3,000.00	2,186.55	5,186.55	5,186.55	-
BOE Membership Dues and Fees	10,000.00	(994.00)	9,006.00	9,006.00	-
Total Undist Expend - General Administration	396,132.00	39,605.00	435,737.00	421,486.27	14,250.73
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistance Principals	378,739.00	11,500.00	390,239.00	388,602.50	1,636.50
Salaries of Secretarial and Clerical Assistants	207,914.00	5,805.00	213,719.00	213,134.25	584.75
Other Salaries	1,500.00	45,664.00	47,164.00	47,162.90	1.10
Other Purchased Professional and Tech. Services	500.00	(300.00)	200.00	200.00	200.00
Other Purchased Services (400-500 series)	16,250.00	16,250.00	16,250.00	15,330.21	919.79
Supplies & Materials	19,000.00	(275.00)	18,725.00	16,312.62	2,412.38
Other Objects	4,100.00	275.00	4,375.00	4,375.00	-
Total Undistributed Expenditures - Support Services - School Administration	628,003.00	62,669.00	690,672.00	684,917.48	5,754.52
Undist. Expend. - Central Services					
Salaries	245,704.00	10,000.00	255,704.00	246,404.13	9,299.87
Purchased Professional Services	32,000.00	(1,543.58)	30,456.42	29,577.40	879.02
Miscellaneous Purch. Services (400-500 Series)	3,000.00		3,000.00	2,531.78	468.22
Supplies & Materials	12,500.00	5,000.00	17,500.00	15,448.92	2,051.08
Interest on Lease Purchase Agreements	11,948.00		11,948.00	11,947.50	0.50
Other Objects	2,500.00	4,543.58	7,043.58	7,043.58	-
Total Undist. Expend. - Central Services	307,652.00	18,000.00	325,652.00	312,953.31	12,698.69

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undist. Expend. - Admin Info. Technology					
Salaries	40,799.00	10,000.00	50,799.00	40,979.11	9,819.89
Purchased Technical Services	8,000.00		8,000.00	423.00	7,577.00
Other Purchased Services (400-500 series)	28,250.00	8,000.00	36,250.00	27,827.68	8,422.32
Supplies & Materials	3,000.00	2,000.00	5,000.00	3,803.09	1,196.91
Total Undist. Expend. - Admin Info. Technology	80,049.00	20,000.00	100,049.00	73,032.88	27,016.12
Undist. Expend. - Required Maint. School Facilities					
Salaries	117,211.00		117,211.00	115,137.13	2,073.87
Cleaning, Repair and Maintenance Service	156,850.00	4,741.47	161,591.47	97,225.36	64,366.11
General Supplies	50,900.00	5,458.72	56,358.72	40,177.02	16,181.70
Total Undistributed Expenditures - Required Maintenance for School Facilities	324,961.00	10,200.19	335,161.19	252,539.51	82,621.68
Undist. Expend. - Custodial Services					
Salaries	506,836.00	-	506,836.00	475,433.53	31,402.47
Cleaning, Repair and Maintenance Service	35,000.00		35,000.00	29,646.33	5,353.67
Rental of Land, Buildings & Other than Leases	1,000.00		1,000.00		1,000.00
Other Purchased Property Services	23,500.00	-	23,500.00	15,680.38	7,819.62
Insurance	110,000.00	(1,750.00)	108,250.00	70,251.52	37,998.48
Miscellaneous Purchased Services	5,500.00		5,500.00	2,643.00	2,857.00
General Supplies	70,900.00	790.00	71,690.00	71,439.06	250.94
Energy (Electricity)	205,000.00		205,000.00	174,687.27	30,312.73
Energy (Natural Gas)	100,000.00		100,000.00	36,848.69	63,151.31
Energy (Gasoline)	1,000.00		1,000.00		1,000.00
Other Objects	1,000.00		1,000.00	875.00	125.00
Total Undistributed Expenditures - Custodial Services	1,059,736.00	(960.00)	1,058,776.00	877,504.78	181,271.22
Undist. Expend. - Security					
Salaries	45,237.00	1,000.00	46,237.00	46,087.50	149.50
Purchased Professional and Technical Services	70,000.00		70,000.00	3,001.00	66,999.00
General Supplies	1,000.00	1,200.00	2,200.00	1,784.64	415.36
Total Undistributed Expenditures - Security	116,237.00	2,200.00	118,437.00	50,873.14	67,563.86
Total Undistributed Expenditures Operations and Maintenance of Plant	1,500,934.00	11,440.19	1,512,374.19	1,180,917.43	331,456.76

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undist. Expend. - Student Transportation Serv.					
Salaries (Other than Home & School)	12,000.00	(2,700.00)	9,300.00	8,835.00	465.00
Contracted Services - (Oth. Than Bet. Home & Sch)	73,000.00	6,699.00	79,699.00	79,698.30	0.70
Contr. Serv. - (Bet. Home & School) Joint Agrm.	70,000.00	(7,131.00)	62,869.00	61,613.17	1,255.83
Contr. Serv. - (Spc Ed. Students) - Joint Agrmt	250,000.00	67,025.00	317,025.00	310,751.50	6,273.50
Contr. Serv. - (Aid in Lieu of Payments (Choice Sch)	46,000.00	(19,568.00)	26,432.00	25,243.03	1,188.97
Transportation Supplies	5,000.00	(2,300.00)	2,700.00	1,206.88	1,493.12
Miscellaneous Expenditures			-		-
Total Undistributed Expenditures - Student Transportation Services	<u>456,000.00</u>	<u>42,025.00</u>	<u>498,025.00</u>	<u>487,347.88</u>	<u>10,677.12</u>
Unallocated Benefits - Employee Benefits					
Social Security Contribution	225,000.00	(25,202.00)	199,798.00	176,329.35	23,468.65
Other Retirement Contributions - PERS	245,415.00	(35,000.00)	210,415.00	206,999.00	3,416.00
Other Retirement Contributions - DCRP	2,500.00		2,500.00	1,182.46	1,317.54
Workmen's Compensation	190,000.00	(42,025.00)	147,975.00	135,595.38	12,379.62
Unemployment Compensation	50,000.00		50,000.00	25,000.00	25,000.00
Health Benefits	2,677,901.00	(37,298.00)	2,640,603.00	2,506,582.53	134,020.47
Tuition Reimbursement	75,000.00		75,000.00	55,167.58	19,832.42
Other Employee Benefits	44,000.00		44,000.00	34,010.86	9,989.14
Unused Sick Payouts	60,000.00		60,000.00	40,744.85	19,255.15
Total Unallocated Benefits	<u>3,569,816.00</u>	<u>(139,525.00)</u>	<u>3,430,291.00</u>	<u>3,181,612.01</u>	<u>248,678.99</u>
On-Behalf Contributions					
On-Behalf TPAF Contribution (non-bud)					
Pension Contributions	-	-	-	1,398,348.00	(1,398,348.00)
Reimbursed TPAF Social Security Cont. (non-bud)				608,129.07	(608,129.07)
Total On-Behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,006,477.07</u>	<u>(2,006,477.07)</u>
Total Personal Services - Employee Benefits	<u>3,569,816.00</u>	<u>(139,525.00)</u>	<u>3,430,291.00</u>	<u>5,188,089.08</u>	<u>(1,757,798.08)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>10,297,740.00</u>	<u>102,308.19</u>	<u>10,400,048.19</u>	<u>11,377,659.83</u>	<u>(977,611.64)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>18,082,744.00</u>	<u>67,700.37</u>	<u>18,150,444.37</u>	<u>18,639,673.61</u>	<u>(489,229.24)</u>

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
CAPITAL OUTLAY					
Equipment					
Grades PK-8	10,000.00	21,529.00	31,529.00	-	31,529.00
Grades 9-12	5,000.00	(5,000.00)	-		-
School Sponsored and Other Instr. Programs	41,500.00		41,500.00	39,151.78	2,348.22
Undistributed Expenditures:					
General Admin. Equipment	10,000.00		10,000.00	2,413.95	7,586.05
Custodial Equipment	48,000.00		48,000.00	47,271.95	728.05
Food Service Equipment	20,000.00	(18,463.00)	1,537.00		1,537.00
Admin. Info. Tech.	15,000.00	1,934.00	16,934.00	8,374.00	8,560.00
Total Equipment	<u>149,500.00</u>	<u>-</u>	<u>149,500.00</u>	<u>97,211.68</u>	<u>52,288.32</u>
Facilities Acquisition and Construction Services					
Assessment of Debt Service on SDA Funding	4,486.00		4,486.00	4,486.00	-
Lease Purchase Agreements - Principal	160,000.00		160,000.00	160,000.00	-
Land and Improvements	18,000.00		18,000.00		18,000.00
Construction Services	389,850.00	56,720.00	446,570.00	283,043.41	163,526.59
Total Facilities Acquisition and Construction Services	<u>572,336.00</u>	<u>56,720.00</u>	<u>629,056.00</u>	<u>447,529.41</u>	<u>181,526.59</u>
TOTAL CAPITAL OUTLAY	<u>721,836.00</u>	<u>56,720.00</u>	<u>778,556.00</u>	<u>544,741.09</u>	<u>233,814.91</u>
TOTAL EXPENDITURES	<u>18,804,580.00</u>	<u>124,420.37</u>	<u>18,929,000.37</u>	<u>19,184,414.70</u>	<u>(255,414.33)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,298,082.00)</u>	<u>(124,420.37)</u>	<u>(1,422,502.37)</u>	<u>553,806.30</u>	<u>1,976,308.67</u>
Other Financing Sources:					
Operating Transfers Out:					
Transfer to Food Service Fund - Board Contribution	(10,000.00)		(10,000.00)	(2,749.68)	7,250.32
Total Other Financing Sources:	<u>(10,000.00)</u>	<u>-</u>	<u>(10,000.00)</u>	<u>(2,749.68)</u>	<u>7,250.32</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(1,308,082.00)</u>	<u>(124,420.37)</u>	<u>(1,432,502.37)</u>	<u>551,056.62</u>	<u>1,983,558.99</u>
Fund Balance July 1	3,646,023.84		3,646,023.84	3,646,023.84	-
Fund Balance June 30	<u>\$ 2,337,941.84</u>	<u>(124,420.37)</u>	<u>2,213,521.47</u>	<u>4,197,080.46</u>	<u>1,983,558.99</u>

**CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				1,145,535.92	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,139,994.60	
Committed Fund Balance:					
Capital Reserve				604,298.00	
Maintenance Reserve				300,500.00	
Emergency Reserve				250,000.00	
Designated for Subsequent Years Expenditures				242,173.40	
Assigned Fund Balance:				142,144.79	
Encumbrances				372,433.75	
Unassigned Fund Balance				4,197,080.46	
General Fund				<u>4,197,080.46</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP Basis				427,994.50	
				<u>\$ 3,769,085.96</u>	

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		56,171.68	56,171.68	54,511.58	(1,660.10)
State Sources	411,825.00	-	411,825.00	411,825.00	-
Federal Sources	1,170,926.00	625,019.51	1,795,945.51	1,529,830.61	(266,114.90)
Total Revenues	1,582,751.00	681,191.19	2,263,942.19	1,996,167.19	(267,775.00)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,077,085.00	19,249.50	1,096,334.50	957,896.26	138,438.24
Purchased Professional and Technical Services		18,850.00	18,850.00	16,150.00	2,700.00
Other Purchased Services (400-500 series)	246,029.00	27,415.90	273,444.90	273,444.90	-
General Supplies		137,098.74	137,098.74	110,590.44	26,508.30
Other Objects		5,141.00	5,141.00	5,141.00	-
Total Instruction	1,323,114.00	207,755.14	1,530,869.14	1,363,222.60	167,646.54
Support Services:					
Salaries of Other Professional Staff	120,920.00	123,227.53	244,147.53	224,456.49	19,691.04
Personal Services - Employee Benefits	3,153.00	209,760.63	212,913.63	170,546.10	42,367.53
Purchased Professional - Technical Services		55,073.71	55,073.71	35,866.00	19,207.71
Purchased Professional - Educational Services		30,396.00	30,396.00	30,396.00	-
Other Purchased Services (400-500 series)		35,940.00	35,940.00	23,942.42	11,997.58
Rentals	135,564.00	(0.83)	135,563.17	135,563.17	-
Travel		2,186.00	2,186.00	2,012.82	173.18
Supplies & Materials		16,853.01	16,853.01	10,161.59	6,691.42
Total Support Services	259,637.00	473,436.05	733,073.05	632,944.59	100,128.46

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES(cont'd):					
Facilities Acquisitions and Construction Services:					
Instructional Equipment	-		-	-	-
Total Facilities Acquisitions and Const. Services:					
Total Outflows	1,582,751.00	681,191.19	2,263,942.19	1,996,167.19	267,775.00
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WILDWOOD SCHOOL DISTRICT
Required Supplementary Information
Budget - to - GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2016

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 19,738,221.00	[C-2] \$ 1,996,167.19
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	-	(41,884.85)
Prior Year	-	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the Subsequent year.	(427,994.50)	(41,182.50)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	464,151.00	-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2] <u>\$ 19,774,377.50</u>	[B-2] <u>\$ 1,913,099.84</u>
Uses / outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 19,184,414.70	[C-2] \$ 1,996,167.19
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	-	(41,884.85)
Prior Year	-	-
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2] <u>\$ 19,184,414.70</u>	[B-2] <u>\$ 1,954,282.34</u>

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REQUIRED SUPPLEMENTARY INFORMATION – PART III

CITY OF WILDWOOD BOARD OF EDUCATION
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employee Retirement System
Last Three Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the net pension liability (asset)	0.024077159800%	0.0254269368%	0.0242302520%
District's proportionate of the net pension liability (asset)	5,404,840	\$ 4,760,618	\$ 4,630,883
District's covered payroll	1,735,489	\$ 1,640,811	\$ 1,707,350
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	311.4%	290.14%	271.23%
Plan fiduciary net position as a percentage of the total pension liability	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for three years. Additional years will be presented as they become available.

**CITY OF WILDWOOD BOARD OF EDUCATION
 Schedule of District Contributions
 Public Employee Retirement System
 Last Three Fiscal Years**

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	206,999	\$ 209,616	\$ 182,570
Contributions in relation to the contractually required contribution	<u>206,999</u>	<u>209,616</u>	<u>182,570</u>
Contribution deficiency (excess)	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	1,735,489	\$ 1,640,811	\$ 1,707,350
Contributions as a percentage of covered-employee payroll	11.93%	12.78%	10.69%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for three years. Additional years will be presented as they become available.

CITY OF WILDWOOD BOARD OF EDUCATION
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Three Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>42,510,749</u>	<u>43,994,590</u>	<u>40,938,768</u>
Total	<u>42,510,749</u>	<u>\$ 43,994,590</u>	<u>\$ 40,938,768</u>
District's covered payroll	8,117,379	\$ 7,934,822	\$ 8,071,551
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	28.71%	33.64%	33.76%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for three years. Additional years will be presented as they become available.

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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, 2016

	Total Brought Forward (Ex. E-1a)	Title IA	July and Aug Carryover Title IA	Title III	Title IIA	Title III C/O	Totals 2016
REVENUES:							
State Sources	\$ 411,825.00	-	-	-	-	-	411,825.00
Federal Sources	748,704.34	578,570.62	48,179.96	42,167.10	86,715.45	25,493.14	1,529,830.61
Local Sources	54,511.58	-	-	-	-	-	54,511.58
Total Revenues	1,215,040.92	578,570.62	48,179.96	42,167.10	86,715.45	25,493.14	1,996,167.19
EXPENDITURES:							
Instruction:							
Salaries of Teachers	469,667.14	451,705.12	36,524.00	-	-	-	957,896.26
Other Salaries for Instruction	-	-	-	-	-	-	-
Purchased Professional Technical Services	16,150.00	-	-	-	-	-	16,150.00
Other Purchased Services (400-500 series)	273,444.90	-	-	-	-	-	273,444.90
General Supplies	90,939.35	9,860.34	1,203.03	7,682.97	-	904.75	110,590.44
Textbooks	-	-	-	-	-	-	-
Other Objects	5,141.00	-	-	-	-	-	5,141.00
Total Instruction	855,342.39	461,565.46	37,727.03	7,682.97	-	904.75	1,363,222.60
Support Services:							
Salaries of Supervisors of Instruction	-	8,970.00	1,140.00	25,698.00	57,435.00	18,900.00	224,456.49
Salaries of Other Professional Staff	112,313.49	-	-	-	-	-	-
Other Salaries	-	-	-	-	-	-	-
Personal Services - Employee Benefits	39,707.15	103,801.87	5,296.16	5,895.00	10,877.53	4,968.39	170,546.10
Purchased Professional Technical Services	30,866.00	-	-	-	5,000.00	-	35,866.00
Purchased Professional - Educational Services	30,396.00	-	-	-	-	-	30,396.00
Other Purchased Services (400-500 series)	8,621.85	-	-	2,400.00	12,920.57	-	23,942.42
Rentals	135,563.17	-	-	-	-	-	135,563.17
Contr. Trans Serv (Bet. Home & School)	-	-	-	-	-	-	-
Contr. Trans Serv (Field Trips)	-	-	-	-	-	-	-
Travel	2,012.82	-	-	-	-	-	2,012.82
Supplies & Materials	218.05	4,233.29	4,016.77	491.13	482.35	720.00	10,161.59
Other Objects	-	-	-	-	-	-	-
Total Support Services	359,698.53	117,005.16	10,452.93	34,484.13	86,715.45	24,588.39	632,944.59
Facilities Acquisitions and Construction Services:							
Instructional Equipment	-	-	-	-	-	-	-
Total Facilities Acquisitions and Const. Services:	-	-	-	-	-	-	-
Total Outflows	1,215,040.92	578,570.62	48,179.96	42,167.10	86,715.45	25,493.14	1,996,167.19
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, 2016

	Total Brought Forward (Ex. E-1b)	IDEA Part B	IDEA Preschool	Preschool Education	College & Career Readiness	Race to the Top	Total Carried Forward
REVENUES:							
State Sources	-	-	-	411,825.00	118,359.28	6,440.00	411,825.00
Federal Sources	354,300.06	264,698.00	4,907.00	-	-	-	748,704.34
Local Sources	54,511.58	-	-	-	-	-	54,511.58
Total Revenues	408,811.64	264,698.00	4,907.00	411,825.00	118,359.28	6,440.00	1,215,040.92
EXPENDITURES:							
Instruction:							
Salaries of Teachers	175,987.50	-	-	271,439.00	22,240.64	-	469,667.14
Other Salaries for Instruction	-	-	-	-	-	-	-
Purchased Professional Technical Services	16,150.00	-	-	-	-	-	16,150.00
Other Purchased Services (400-500 series)	3,839.90	264,698.00	4,907.00	-	19,380.65	-	273,444.90
General Supplies	71,558.70	-	-	-	-	-	90,939.35
Textbooks	-	-	-	-	-	-	-
Other Objects	5,141.00	-	-	-	-	-	5,141.00
Total Instruction	272,677.10	264,698.00	4,907.00	271,439.00	41,621.29	-	855,342.39
Support Services:							
Salaries of Supervisors of Instruction	-	-	-	-	-	-	-
Salaries of Other Professional Staff	95,994.53	-	-	-	16,318.96	-	112,313.49
Other Salaries	-	-	-	-	-	-	-
Personal Services - Employee Benefits	29,287.29	-	-	4,822.83	5,597.03	6,440.00	39,707.15
Purchased Professional Technical Services	-	-	-	-	24,426.00	-	30,866.00
Purchased Professional - Educational Services	-	-	-	-	30,396.00	-	30,396.00
Other Purchased Services (400-500 series)	8,621.85	-	-	135,563.17	-	-	144,185.02
Rentals	-	-	-	-	-	-	-
Contr. Trans Serv (Bet. Home & School)	-	-	-	-	-	-	-
Contr. Trans Serv (Field Trips)	2,012.82	-	-	-	-	-	2,012.82
Travel	218.05	-	-	-	-	-	218.05
Supplies & Materials	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-
Total Support Services	136,134.54	-	-	140,386.00	76,737.99	6,440.00	359,698.53
Facilities Acquisitions and Construction Services:							
Instructional Equipment	-	-	-	-	-	-	-
Total Facilities Acquisitions and Const. Services:	-	-	-	-	-	-	-
Total Outflows	408,811.64	264,698.00	4,907.00	411,825.00	118,359.28	6,440.00	1,215,040.92
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, 2016

	21st Century Grant	21st Century Grant	Local Grants	Total Carried Forward
REVENUES:				
State Sources	-	-	-	-
Federal Sources	62,952.41	291,347.65	-	354,300.06
Local Sources	-	-	54,511.58	54,511.58
Total Revenues	<u>62,952.41</u>	<u>291,347.65</u>	<u>54,511.58</u>	<u>408,811.64</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers	37,635.00	138,352.50	-	175,987.50
Other Salaries for Instruction	-	-	-	-
Purchased Professional Technical Services	-	16,150.00	-	16,150.00
Other Purchased Services (400-500 series)	-	-	3,839.90	3,839.90
General Supplies	7,830.31	13,056.71	50,671.68	71,558.70
Textbooks	-	-	-	-
Other Objects	-	5,141.00	-	5,141.00
Total Instruction	<u>45,465.31</u>	<u>172,700.21</u>	<u>54,511.58</u>	<u>272,677.10</u>
Support Services:				
Salaries of Supervisors of Instruction	-	-	-	-
Salaries of Other Professional Staff	13,280.00	82,714.53	-	95,994.53
Other Salaries	-	-	-	-
Personal Services - Employee Benefits	3,321.25	25,966.04	-	29,287.29
Purchased Professional Technical Services	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-
Other Purchased Services (400-500 series)	805.00	7,816.85	-	8,621.85
Rentals	-	-	-	-
Contr. Trans Serv (Bet. Home & School)	-	-	-	-
Contr. Trans Serv (Field Trips)	-	-	-	-
Travel	-	2,012.82	-	2,012.82
Supplies & Materials	80.85	137.20	-	218.05
Other Objects	-	-	-	-
Total Support Services	<u>17,487.10</u>	<u>118,647.44</u>	<u>-</u>	<u>136,134.54</u>
Facilities Acquisitions and Construction Services:				
Instructional Equipment	-	-	-	-
Total Facilities Acquisitions and Const. Services:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Outflows	<u>62,952.41</u>	<u>291,347.65</u>	<u>54,511.58</u>	<u>408,811.64</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2016**

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 271,439.00	271,439.00	-
Other Salaries for Instruction			-
General Supplies			-
Total Instruction	<u>271,439.00</u>	<u>271,439.00</u>	<u>-</u>
Support Services:			
Personal Services - Employee Benefits	4,822.83	4,822.83	-
Rental	135,563.17	135,563.17	-
Total Support Services	<u>140,386.00</u>	<u>140,386.00</u>	<u>-</u>
Total Expenditures	<u>\$ 411,825.00</u>	<u>\$ 411,825.00</u>	<u>-</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2015-16 Preschool Education Aid	\$ 411,825.00
Add: Actual ECPA Carryover (June 30, 2015)	-
Add: Budgeted Transfer from the General Fund 2015-16	-
Total Preschool Education Aid Funds Available for 2015-16 Budget	<u>411,825.00</u>
Less: 2015-2016 Budgeted Preschool Education Aid (Prior year budget carryover)	<u>(411,825.00)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2016	-
Add: June 30, 2016 Unexpended Preschool Education Aid	-
2015-16 Carryover-Preschool Education Aid Program	<u>-</u>
2015-16 Preschool Education Aid Carryover Budgeted	-
Budgeted for Preschool Programs - 2016-17	<u>\$ -</u>

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

CITY OF WILDWOOD SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Basis
For the Fiscal Year Ended June 30, 2016

Revenues and Other Financing Sources:	
State Sources - ROD Grant	\$ -
Lease proceeds and transfers	-
 Total revenues	 <u>-</u>
 Expenditures and Other Financing Uses:	
Purchased professional & technical services	-
Construction services	-
 Total expenditures	 <u>-</u>
 Excess of revenues over expenditures	 -
 Fund balance - beginning	 149,620.71
 Fund balance - ending	 <u>\$ 149,620.71</u>

CITY OF WILDWOOD SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Basis
ROD Roof Replacement
For the Fiscal Year Ended June 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources- ROD Grant	\$ 508,000.00	-	508,000.00	508,000.00
Lease proceeds and transfers	825,000.00	-	825,000.00	825,000.00
Transfer from capital outlay	-	-	-	
Total revenues	<u>1,333,000.00</u>	<u>-</u>	<u>1,333,000.00</u>	<u>1,333,000.00</u>
Expenditures and Other Financing Uses:				
Purchased professional & technical services	121,090.56	-	121,090.56	208,407.00
Construction services	1,062,288.73	-	1,062,288.73	1,124,593.00
Total expenditures	<u>1,183,379.29</u>	<u>-</u>	<u>1,183,379.29</u>	<u>1,333,000.00</u>
Excess of revenues over expenditures	<u>\$ 149,620.71</u>	<u>-</u>	<u>149,620.71</u>	<u>-</u>

Additional project information:

Project numbers	5790-050-14-1001G4
Grant Date	3/5/2014
Lease Authorization Date	3/26/2014
Lease Proceeds	825,000.00
Original Authorized Cost	1,333,000.00
Additional Authorized Cost	-
Revised Authorized Cost	1,333,000.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	89%
Adjusted Target completion date	2016

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 Position
As of June 30, 2016

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Trust</u>	<u>Trust & Agency Funds</u>	<u>Totals</u>
ASSETS				
Cash and Cash Equivalents	\$ 92,797.86	227,444.88	94,109.61	414,352.35
Interfunds Receivable				-
Total Assets	<u>92,797.86</u>	<u>227,444.88</u>	<u>94,109.61</u>	<u>414,352.35</u>
LIABILITIES				
Accounts Payable	1,476.98		-	1,476.98
Payroll Deductions & Withholding			21,618.27	21,618.27
Interfunds Payable			401.06	401.06
Due to Student Groups			72,090.28	72,090.28
Total Liabilities	<u>1,476.98</u>	<u>-</u>	<u>94,109.61</u>	<u>95,586.59</u>
NET POSITION				
Trust for Unemployment Claims and Other Purposes	\$ <u>91,320.88</u>			91,320.88
Reserve for Scholarships		<u>227,444.88</u>		<u>227,444.88</u>
Total Net Position				<u>318,765.76</u>
Total Liabilities and Net Position				<u>414,352.35</u>

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2016

	Unemployment Compensation Trust	Private Purpose Trust	Totals
ADDITIONS			
Contributions:			
Plan Member	\$ 33,051.84		33,051.84
Board Contribution	25,000.00		25,000.00
Other		52,138.31	52,138.31
Total Contributions	<u>58,051.84</u>	<u>52,138.31</u>	<u>110,190.15</u>
Investments Earnings:			
Interest	326.01		326.01
Net Investment Earnings	<u>326.01</u>	<u>-</u>	<u>326.01</u>
Total Additions	<u>58,377.85</u>	<u>52,138.31</u>	<u>110,516.16</u>
Deductions			
Unemployment Claims	12,701.51		12,701.51
Scholarships Awarded to Students		37,881.00	37,881.00
Other	11,907.07		11,907.07
Total Deductions	<u>24,608.58</u>	<u>37,881.00</u>	<u>62,489.58</u>
Change in Net Position	33,769.27	14,257.31	48,026.58
Net Position - Beginning of the Year	<u>57,551.61</u>	<u>213,187.57</u>	<u>270,739.18</u>
Net Position - End of the Year	<u>\$ 91,320.88</u>	<u>227,444.88</u>	<u>318,765.76</u>

CITY OF WILDWOOD SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2016

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
Student Activity Account	\$ 76,912.11	70,714.53	75,536.36	72,090.28
Total Assets	\$ <u>76,912.11</u>	<u>70,714.53</u>	<u>75,536.36</u>	<u>72,090.28</u>

CITY OF WILDWOOD SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the year ended June 30, 2016

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS:				
Cash and Cash Equivalents	\$ 8,922.99	\$ 12,376,889.18	\$ 12,363,792.84	\$ 22,019.33
Interfunds Receivable	3,808.00		3,808.00	-
Total Assets	\$ <u>12,730.99</u>	\$ <u>12,376,889.18</u>	\$ <u>12,367,600.84</u>	\$ <u>22,019.33</u>
LIABILITIES:				
Payroll Deductions & Withholding	\$ 12,730.99	\$ 5,795,923.88	5,787,036.60	\$ 21,618.27
Net Payroll Payable	-	6,580,564.24	6,580,564.24	-
Interfunds Payable	-	401.06	-	401.06
Accounts Payable	-			-
Total Liabilities	\$ <u>12,730.99</u>	\$ <u>12,376,889.18</u>	\$ <u>12,367,600.84</u>	\$ <u>22,019.33</u>

LONG-TERM DEBT SCHEDULES

CITY OF WILDWOOD SCHOOL DISTRICT
Schedule of Obligations Under Capital Lease
As of June 30, 2016

Description	Date of Lease	Term of Lease	Amount of Original Lease	Interest	Interest Rate	Balance July 1, 2015	Issued Current Year	Retired Current Year	Balance June 30, 2016
			Principal	Interest					
Roof Replacement	3/26/2014	5 Years	\$ 825,000.00	47,471.52	1.77%	\$ 675,000.00		160,000.00	515,000.00
Technology Lease	8/5/2013	5 Years	117,458.70	10,781.10	3.50%	72,547.20		23,471.07	49,076.13
					\$	<u>747,547.20</u>	<u>-</u>	<u>183,471.07</u>	<u>564,076.13</u>

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Statistical Section

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

Exhibit J-1

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	4,924,965.82	5,261,447.54	5,263,903.08	5,096,579.43	4,928,543.38	4,752,009.07	4,523,756.01	3,650,403.99	4,645,076.06	4,821,526.56
Restricted	1,066,167.96	1,108,693.38	1,813,972.98	2,185,902.30	1,579,782.56	573,251.81	852,760.28	1,687,622.44	3,083,483.39	3,589,949.23
Unrestricted	(332,047.31)	(79,309.42)	(109,553.37)	96,566.68	174,105.46	332,467.21	(211,855.07)	(3,348,332.98)	(4,501,928.95)	(4,816,386.42)
Total governmental activities net position	5,659,086.47	6,290,831.50	6,958,322.69	7,379,048.41	6,682,431.40	5,657,728.09	5,164,661.22	1,889,693.85	3,226,630.50	3,595,089.37
Business-type activities										
Invested in capital assets, net of related debt	31,058.81	29,779.73	25,682.56	22,136.51	18,674.95	14,013.41	11,443.00	9,796.68	8,343.35	25,082.17
Restricted	49,658.67	102,534.76	101,288.33	107,973.30	69,419.29	28,563.87	2,759.14	(1,279.51)	82,182.53	64,617.48
Unrestricted	80,717.48	132,314.49	126,950.89	130,109.81	88,094.24	42,577.28	14,202.14	8,517.17	90,525.88	89,699.65
Total business-type activities net position	161,434.96	264,629.08	253,921.78	260,219.62	171,988.48	75,654.56	18,304.28	17,035.34	173,031.76	179,409.30
District-Wide										
Net investment in capital assets	4,956,024.63	5,291,227.27	5,279,585.64	5,118,715.94	4,947,218.33	4,766,022.48	4,535,199.01	3,560,200.67	4,653,419.41	4,846,608.73
Restricted	1,066,167.96	1,108,693.38	1,813,972.98	2,185,902.30	1,579,782.56	573,251.81	852,760.28	1,687,622.44	3,083,483.39	3,589,949.23
Unrestricted	(282,388.64)	(23,225.34)	(6,285.04)	204,539.98	243,524.75	361,031.08	(209,095.93)	(3,349,612.09)	(4,419,746.42)	(4,751,788.94)
Total district net position	5,739,803.95	6,423,145.99	7,085,273.58	7,508,158.22	6,770,525.64	5,700,305.37	5,178,863.36	1,898,211.02	3,317,156.38	3,684,789.02

Source: CAFR Schedule A-1

Note: Previous years have been recaptioned to conform to current terminology

* Net Position was restated as of June 30, 2014 as required for implementation of GASB 68

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

Exhibit J-2

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
Instruction:										
Regular	8,411,728.47	8,769,820.59	8,797,550.80	8,779,754.28	7,184,680.12	8,173,913.01	6,754,301.81	6,019,322.47	6,866,507.05	7,844,677.29
Special education	2,270,594.06	2,524,989.04	2,150,394.63	2,037,037.43	3,754,288.59	3,273,082.42	3,719,394.45	4,032,349.21	4,661,121.30	4,423,926.37
Other instruction	929,620.80	1,050,032.51	1,060,213.77	1,011,373.14	1,029,464.98	1,064,976.27	1,527,788.07	1,301,738.87	1,709,028.31	1,795,034.44
Support Services:										
Tuition	1,366,452.01	1,255,429.08	1,306,645.39	1,345,013.34	1,349,058.88	1,592,590.07	1,725,040.09	1,506,842.62	1,108,107.05	1,196,354.39
Student & instruction related services	3,128,472.55	3,119,775.88	2,453,771.10	2,872,868.30	2,560,706.74	2,611,458.62	3,064,786.63	3,156,520.31	3,736,389.17	4,039,711.20
School administrative services	705,112.22	689,534.00	748,529.87	846,825.85	816,879.24	748,145.19	966,272.47	880,874.80	890,592.88	1,027,728.90
Other administrative services	575,559.00	659,888.18	670,274.73	632,298.82	893,697.34	1,028,449.35	854,104.13	981,032.29	1,004,514.00	1,209,112.43
Plant operations and maintenance	1,638,545.47	1,606,399.91	1,867,331.00	2,088,263.25	2,381,713.96	2,219,737.76	1,764,204.07	1,669,561.72	1,686,678.53	1,799,227.43
Pupil transportation	519,084.91	570,140.56	588,111.25	529,180.46	470,024.96	491,471.30	382,967.77	442,934.37	515,623.77	718,831.34
Capital Outlay	16,352.00	8,941.20	4,111.77	99.18	1,600.00			47,345.26		
Charter Schools	13,305.21	230,769.55	243,259.96	1,600.00						
Interest on long-term debt	185,824.08	20,284,730.50	19,890,194.27	20,144,314.05	20,442,114.81	21,203,823.99	20,758,829.49	20,038,521.92	22,198,562.06	24,054,583.79
Unallocated depreciation	19,760,650.78									
Total governmental activities expenses	831,223.44	939,346.98	934,952.28	896,120.88	915,972.62	915,551.97	905,973.34	900,138.33	917,521.09	976,249.22
Business-type activities:										
Food service	831,223.44	939,346.98	934,952.28	896,120.88	915,972.62	915,551.97	905,973.34	900,138.33	917,521.09	976,249.22
Child care										
Other	831,223.44	939,346.98	934,952.28	896,120.88	915,972.62	915,551.97	905,973.34	900,138.33	917,521.09	976,249.22
Total business-type activities expenses	831,223.44	939,346.98	934,952.28	896,120.88	915,972.62	915,551.97	905,973.34	900,138.33	917,521.09	976,249.22
Total district expenses	20,591,874.22	21,224,077.48	20,825,146.55	21,040,434.93	21,358,087.43	22,119,375.96	21,664,802.83	20,838,660.25	23,116,083.15	25,030,833.01
Program Revenues										
Governmental activities:										
Charges for services										
Operating grants and contributions	2,013,190.00	2,042,316.50	1,926,207.35	2,569,342.00	2,237,993.00	2,197,835.00	1,807,728.53	1,576,671.31	1,900,190.75	1,507,076.23
Capital grants and contributions	5,531,570.43	5,705,777.11	4,999,038.21	3,629,606.15	3,661,528.38	3,615,490.40	4,221,354.94	1,989,827.11	5,787,506.32	6,699,074.41
Other	15,500.22									
Total governmental activities program revenues	7,560,260.65	7,748,093.61	6,925,245.56	6,198,948.15	5,899,521.38	5,813,325.40	6,029,083.47	3,566,498.42	7,687,697.07	8,206,150.64
Business-type activities:										
Charges for services:										
Food service	219,673.46	316,631.10	292,331.77	244,031.59	206,981.09	204,699.09	195,539.62	201,681.73	203,305.37	214,301.71
Other	530,029.45	618,352.42	595,139.99	635,113.05	650,903.19	665,967.53	666,738.56	692,603.65	795,981.61	768,140.71
Operating grants and contributions										
Capital grants and contributions	749,702.91	934,983.52	887,471.76	879,144.64	857,884.28	870,656.62	862,278.18	894,285.38	993,286.98	972,442.42
Total business-type activities program revenue	8,309,963.56	8,683,077.13	6,912,717.32	7,078,092.79	6,757,405.66	6,683,992.02	6,891,961.65	4,460,783.80	8,686,984.05	8,178,533.06
Net (Expense)/Revenue										
Governmental activities	(12,200,390.13)	(12,536,636.89)	(13,864,948.71)	(13,945,365.90)	(14,542,598.43)	(15,390,498.59)	(14,729,746.02)	(16,472,023.50)	(14,510,864.89)	(15,848,433.15)
Business-type activities	(81,320.53)	(4,363.46)	(47,460.52)	(16,976.24)	(38,068.34)	(44,685.33)	(43,693.16)	(5,852.95)	(31,765.28)	(3,806.60)
Total district-wide net expense	(12,281,910.66)	(12,941,000.35)	(13,912,409.23)	(13,962,342.14)	(14,600,661.77)	(15,435,183.94)	(14,773,441.18)	(16,477,876.45)	(14,542,630.17)	(15,852,239.75)

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

Exhibit J-2

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	9,256,088.00	9,339,262.00	9,339,262.00	9,339,262.00	9,339,262.00	9,339,262.00	9,584,779.00	10,154,322.00	10,550,093.00	10,761,094.00
Taxes levied for debt service	63,065.00	67,401.00	63,980.00	31,140.00	-	-	-	-	-	-
Unrestricted grants and contributions	3,513,141.44	3,685,204.24	5,005,246.45	4,638,351.65	4,476,550.69	4,765,149.65	4,900,235.04	7,132,742.17	5,138,646.95	5,257,989.08
Investment earnings	128,721.53	82,938.85	22,794.06	14,139.37	16,656.92	7,505.89	5,325.35	5,490.13	-	-
Miscellaneous income	9,666.16	46,197.32	140,796.57	365,456.95	83,582.74	256,327.74	72,221.18	360,840.95	159,061.69	200,548.62
Lease proceeds	(25,000.00)	(65,770.76)	(41,880.68)	(20,000.00)	(15,716.89)	(2,450.00)	(15,000.00)	-	-	-
Loss on Disposal of Fixed Assets	(5,098.04)	(860.73)	(748.50)	(2,258.35)	(54,359.04)	(2,450.00)	(10,881.42)	-	-	-
Total governmental activities	12,940,594.09	13,168,371.92	14,532,449.90	14,366,091.62	13,845,976.42	14,365,795.28	14,236,679.15	17,653,395.25	15,847,801.64	16,219,641.70
Business-type activities:										
Investment earnings	363.98	243.95	236.24	135.16	355.88	568.39	320.02	167.98	242.82	230.89
Transfers	25,000.00	55,770.76	41,880.68	20,000.00	15,716.89	(1,200.00)	15,000.00	-	-	-
Special Item-Loss on Disposal of Fixed Assets	(54.24)	(54.24)	-	-	-	-	-	-	-	-
Total business-type activities	25,363.98	55,960.47	42,116.92	20,135.16	16,072.77	(631.61)	15,320.02	167.98	242.82	230.89
Total district-wide	12,965,958.07	13,224,332.39	14,574,566.82	14,386,226.78	13,862,049.19	14,365,163.67	14,251,999.17	17,653,563.23	15,848,044.46	16,219,872.59
Changes in Net Position	740,203.96	631,735.03	667,501.19	420,725.72	(696,617.01)	(1,024,703.31)	(493,066.87)	1,181,374.75	1,336,936.65	371,208.55
Governmental activities	(56,166.58)	51,597.01	(5,363.60)	3,158.92	(42,015.57)	(45,516.98)	(28,375.14)	(5,684.97)	82,008.71	(3,155.81)
Business-type activities	696,370.54	680,138.02	672,864.79	423,866.80	(738,632.58)	(1,079,220.27)	(524,442.01)	1,177,059.72	1,454,927.94	374,364.36
Total district	640,037.92	632,427.03	667,140.58	427,025.72	(740,203.96)	(1,024,703.31)	(493,066.87)	1,181,374.75	1,336,936.65	371,208.55

Source: CAFR Schedule A-2

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

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Restricted										
Committed	-	-	-	-	778,010.00	-	390,879.78	1,043,850.08	2,183,844.68	2,285,530.52
Assigned					461,393.00	461,393.00	461,393.00	350,018.00	1,056,249.92	1,396,971.40
Unassigned					646,494.64	644,452.92	487.50	-	-	-
Reserved	1,070,563.85	1,111,373.05	1,814,726.42	2,188,746.92	(41,380.54)	(67,405.89)	(9,222.17)	0.00	(58,221.76)	86,584.04
Unreserved	180,045.97	213,423.76	22,805.03	190,754.48	-	-	-	-	-	-
Total general fund	1,250,609.82	1,324,796.81	1,837,531.45	2,379,501.40	1,844,517.10	1,038,440.03	843,538.11	1,393,868.08	3,181,872.84	3,769,085.96
All Other Governmental Funds										
Restricted										
Reported in Debt Service Fund					(2,844.62)	-	-	-	-	-
Reported in Capital Projects Fund								1,226,229.44	149,620.71	149,620.71
Unassigned										
Reported in Special Revenue Fund					(38,610.00)	(40,154.40)	(41,700.40)	(43,605.00)	-	(41,182.50)
Reserved										
Unreserved, reported in:										
Special revenue fund	(58,920.95)	(58,391.74)	(36,610.90)	(37,837.80)	-	-	-	-	-	-
Capital projects fund	-	-	-	(2,844.62)	-	-	-	-	-	-
Debt service fund	0.75	0.75	1.25	-	-	-	-	-	-	-
Permanent fund	-	-	-	(40,682.42)	(41,454.62)	(40,154.40)	(41,700.40)	1,182,624.44	149,620.71	108,438.21
Total all other governmental funds	(58,920.20)	(58,390.99)	(36,609.65)	(40,682.42)	(41,454.62)	(40,154.40)	(41,700.40)	1,182,624.44	149,620.71	108,438.21

Source: CAFR Schedule B-1

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

Exhibit J-4

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Tax/levy	9,319,163.00	9,406,663.00	9,403,242.00	9,370,402.00	9,339,262.00	9,339,262.00	9,584,779.00	10,154,322.00	10,550,093.00	10,761,094.00
Tuition charges	2,013,190.00	2,042,316.50	1,928,207.35	2,569,342.00	2,237,993.00	2,186,330.00	1,790,379.45	1,576,671.31	1,900,190.75	1,507,076.23
Miscellaneous	136,367.69	129,136.17	163,590.61	379,596.33	101,159.34	447,592.25	198,925.95	366,331.08	159,061.69	200,548.62
State sources	7,261,982.15	7,851,703.13	7,323,089.86	6,662,852.95	6,572,383.89	6,923,483.35	7,293,405.18	7,699,915.03	7,393,370.23	7,627,371.07
Federal sources	1,796,229.94	1,543,278.22	1,784,194.82	1,605,104.84	1,564,775.50	1,284,903.08	1,424,154.46	1,422,654.25	1,611,138.04	1,591,387.42
Total revenue	20,530,952.78	20,973,097.02	20,600,324.64	20,587,298.12	19,815,573.73	20,181,570.68	20,291,644.04	21,219,893.67	21,613,853.71	21,687,477.34
Expenditures										
Instruction										
Regular instruction	6,460,339.33	7,059,515.31	7,163,811.26	6,944,794.76	5,237,263.27	5,730,671.14	4,605,349.23	4,402,920.72	4,472,846.44	4,787,781.25
Special education instruction	1,533,229.17	1,635,360.36	1,574,137.34	1,504,938.93	3,123,765.77	2,575,116.20	2,919,042.57	2,949,520.30	3,049,284.96	2,700,020.79
Other instruction	684,271.25	779,020.57	818,667.31	772,587.21	759,317.43	766,291.70	1,051,645.94	952,175.77	1,113,261.96	1,095,549.49
Support Services:										
Tuition	1,366,452.01	1,255,429.08	1,306,645.39	1,345,013.34	1,349,058.88	1,592,590.07	1,725,040.09	1,506,842.62	1,108,107.05	1,196,334.39
Student & instruction related services	2,471,386.13	2,499,373.86	1,930,452.60	2,257,226.48	1,965,555.96	1,971,211.58	2,304,253.95	2,327,643.12	2,433,885.94	2,485,525.70
General and Business admin. services	514,286.09	517,826.80	533,817.33	500,566.86	626,417.58	598,426.47	699,497.13	644,328.64	647,230.62	694,917.48
School Administrative services	495,485.09	504,901.65	557,133.51	628,244.51	636,440.30	678,973.61	656,269.84	717,590.29	731,133.86	807,472.46
Plant operations and maintenance	2,226,448.88	1,812,434.32	1,774,386.39	1,625,238.04	1,919,280.25	1,728,041.42	1,269,934.27	1,221,225.12	1,252,138.26	1,180,917.43
Pupil transportation	519,084.91	570,140.56	588,111.25	529,180.46	470,024.96	491,471.30	378,226.21	323,990.76	379,250.42	487,347.88
Unallocated employee benefits	4,231,826.77	4,097,856.52	3,688,228.10	3,842,592.66	4,146,942.88	4,768,375.60	4,954,895.26	4,541,233.18	4,859,141.77	5,188,089.08
Charter Schools	16,352.00									
Capital outlay	15,500.22	20,094.36	2,500.00	33,163.82	60,165.52	59,153.09	16,830.86	284,578.82	1,327,732.12	544,741.09
Debt service:										
Principal	70,000.00	80,000.00	80,000.00	45,000.00	-	-	-	-	-	-
Interest and other charges	14,806.25	10,656.67	6,037.50	853.87	-	-	-	-	-	-
Total expenditures	20,619,448.10	20,842,610.06	20,023,927.98	20,029,400.94	20,294,232.80	20,960,322.18	20,540,985.35	19,872,049.34	21,374,013.40	21,138,687.04
Excess (Deficiency) of revenues over (under) expenditures	(88,495.32)	130,486.96	576,396.66	557,891.18	(478,659.07)	(778,751.50)	(249,341.31)	1,347,844.33	239,840.31	548,780.30
Other Financing sources (uses)										
Capital leases (non-budgeted)										
Transfers in	-	-	-	-	-	2,844.62	-	942,458.70	-	-
Transfers out	(25,000.00)	(55,770.76)	(41,880.68)	(20,000.00)	(15,716.89)	(2,844.62)	(15,000.00)	-	-	-
Total other financing sources (uses)	(25,000.00)	(55,770.76)	(41,880.68)	(20,000.00)	(15,716.89)	-	(15,000.00)	942,458.70	-	-
Net change in fund balances	(113,495.32)	74,716.20	534,515.98	537,891.18	(494,375.96)	(778,751.50)	(284,341.31)	2,290,303.03	239,840.31	548,780.30
Debt service as a percentage of noncapital expenditures	0.41%	0.44%	0.43%	0.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: CAFR Schedule B-2

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
 Unaudited

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Rentals</u>	<u>E-Rate</u>	<u>Miscellaneous</u>	<u>Totals</u>
2007	128,721.53	2,013,190.00	-		9,666.16	2,151,577.69
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
2012	7,505.89	2,186,330.00	2,633.00	208,473.69	194,412.05	2,599,354.63
2013	5,325.35	1,790,379.45	2,490.00	14,859.08	72,221.18	1,885,275.06
2014	5,490.13	1,576,671.31			205,818.88	1,787,980.32
2015	9,759.10	1,900,190.75		27,129.75	4,037.06	1,941,116.66
2016	15,626.14	1,507,076.23			136,023.61	1,658,725.98

Source: District Records

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

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
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	
2012	49,671,900	976,924,300			389,696,900	5,016,900	147,052,800	1,568,362,800	2,828,363	1,571,191,163	0.611	1,605,273,880	
2013	44,094,600	970,622,800			454,416,000	4,349,700	65,804,200	1,539,287,300	2,264,166	1,541,551,466	0.633	1,691,452,222	
2014	31,833,600	898,052,600			427,936,900	3,671,900	55,627,100	1,417,122,100	1,987,158	1,419,109,258	0.730	1,462,151,253	
2015	33,666,700	896,282,300			426,247,300	3,671,900	54,609,700	1,414,477,900	2,014,388	1,416,492,288	0.753	1,451,999,143	
2016	31,899,100	899,171,800			424,153,300	3,671,900	53,322,500	1,412,218,600	2,033,669	1,414,252,269	0.765	1,428,245,563	

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)

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	
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
2013	0.611		0.611	0.196	0.011	0.030		1.088	1.936
2013	0.633		0.633	0.197	0.010	0.028		1.103	1.971
2014	0.730		0.730	0.216	0.011	0.030		1.273	2.260
2015	0.753		0.753	0.219	0.011	0.030		1.274	2.287
2016	0.765		0.765	0.219	0.011	0.030		1.299	2.324

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	2016				2007			
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value		
Bolero Corporation	\$ 8,200,000.00	1	0.58%	11,255,600.00	2	0.60%		
The Morey Organization	7,749,400.00	2	0.55%	44,392,800.00	1	2.38%		
Midtown Properties, Inc.			0.00%	8,947,400.00	3	0.48%		
AMGC Corp.	5,250,000.00	5	0.37%	6,444,700.00	8	0.35%		
BMF Investments, LLC			0.00%	7,257,100.00	5	0.39%		
Calmsea Properties, LLC	5,420,000.00	4	0.38%	6,452,400.00	7	0.35%		
2701 Associates, LLC	4,434,100.00	7	0.31%	8,114,900.00	4	0.44%		
Marina Bay At Rio Grande, LLC			0.00%	6,930,000.00	6	0.37%		
Samax, Inc.	5,699,000.00	3	0.40%			0.00%		
Wild Waves, LLC	4,963,800.00	6	0.35%			0.00%		
Boardwalk Arcade	4,350,000.00	8	0.31%			0.00%		
Nickels Midway Pier, LLC			0.00%	7,418,500.00	4	0.40%		
Schwartz, Martin L. & Phyllis J.	4,300,300.00	9	0.30%			0.00%		
Waltrust Properties, Inc.	4,215,300.00	10	0.30%			0.00%		
Totals	\$ 54,581,900		3.86%	107,213,400.00		5.76%		
	District Assessed Value		\$ 1,414,252,269			\$ 1,861,748,849		

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	
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%	-
2012	9,339,262.00	9,339,262.00	100%	-
2013	9,584,779.00	9,584,779.00	100%	-
2014	10,154,322.00	10,154,322.00	100%	-
2015	10,550,093.00	10,550,093.00	100%	-
2016	10,761,094.00	10,761,094.00	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		Total District	Percentage of Personal Income	Per Capita Personal Income
	General Obligation Bonds	Certificates of Participation	Capital Leases	Capital Leases	Bond Anticipation Notes (BANS)			
2007			205,000.00			205,000.00	21.64%	44,360.00
2008			125,000.00			125,000.00	37.40%	46,747.00
2009			45,000.00			45,000.00	102.23%	46,005.00
2010			-			-	-	47,498.00
2011			-			-	-	48,694.00
2012			-			-	-	48,694.00
2013			-			-	-	50,695.00
2014			916,810.74			916,810.74	5.70%	52,276.00
2015			747,547.20			747,547.20	6.99%	52,276.00
2016			564,076.130			564,076.13	9.19%	51,812.00

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

Exhibit J-11

CITY OF WILDWOOD SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding,
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Debt Per Capita Personal Income
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	
2007	-	-	-	44,360.00
2008	-	-	-	46,747.00
2009	-	-	-	46,005.00
2010	-	-	-	47,498.00
2011	-	-	-	48,694.00
2012	-	-	-	48,694.00
2013	-	-	-	50,695.00
2014	-	-	-	52,276.00
2015	-	-	-	52,276.00
2016	-	-	-	51,812.00

Percentage of
Actual Taxable
Value of
Property

0.00%
0.00%
0.00%
0.00%
0.00%
0.00%
0.00%
0.00%
0.00%
0.00%

CITY OF WILDWOOD SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2015

Exhibit J-12

<u>Governmental Unit</u>	<u>Bonded Debt and Loans Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
City of Wildwood	\$ 18,469,974.23	100.00%	\$ 18,469,974.23
Other Debt			
City of Wildwood Water and Sewer Utilities	31,974,349.73	100.00%	31,974,349.73
County of Cape May	181,290,404.00	3.12%	5,656,260.60
Cape May County MUA	47,763,067.00	3.12%	1,490,207.69
Cape May Bridge Commission	14,232,819.64	3.12%	444,063.97
Subtotal, Overlapping Debt			39,564,882.00
City of Wildwood School District Direct Debt			-
Total Direct and Overlapping Debt			\$ 58,034,856.23

Sources:
 County and District Records

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

Exhibit J-13

Equalized valuation basis	
2015	\$ 1,416,602,804
2014	1,440,603,843
2013	1,443,172,042
	<u>\$ 4,300,376,689</u>
Average equalized valuation of taxable property	\$ 1,433,459,563
Debt limit (.4% of average)	57,338,383
Net bonded school debt	-
Legal debt margin	<u>\$ 57,338,383</u>

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	64,068,140	76,324,180	80,967,714	79,658,526	74,457,263	68,704,506	63,743,426	60,429,874	58,571,251	57,338,383
Total net debt applicable to limit										
Legal debt margin	<u>48,805,773</u>	<u>64,068,140</u>	<u>76,324,180</u>	<u>80,967,714</u>	<u>79,658,526</u>	<u>74,457,263</u>	<u>68,704,506</u>	<u>63,743,426</u>	<u>58,571,251</u>	<u>57,338,383</u>
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 Rates and District Records CAFR Schedule J-7

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

Exhibit J-14

<u>Fiscal Year Ended June 30,</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2007	5,260	233,333,600	44,360	16.5%
2008	5,243	245,094,521	46,747	15.5%
2009	5,210	239,686,050	46,005	26.8%
2010	5,324	252,879,352	47,498	27.8%
2011	5,289	257,542,566	48,694	28.9%
2012	5,251	255,692,194	48,694	30.6%
2013	5,251	266,199,445	50,695	30.6%
2014	5,228	273,298,928	52,276	18.3%
2015	5,185	271,051,060	52,276	21.8%
2016	5,149	266,779,988	51,812	20.3%

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

Exhibit J-15

Employer	2016			2007		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
	<i>Not Available</i>					
Totals	-		0.00%	-		0.00%

CITY OF WILDWOOD SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program,
 For the Fiscal Year Ended June 30, 2016

Exhibit J-16

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Instruction:										
Regular instruction	99.0	98.0	98.0	79.5	102.0	79.5	64.9	69.7	72.5	67.6
Special education instruction	23.0	23.0	24.0	27.6	26.0	27.6	28.3	26.8	22.7	23.7
Other special education instruction	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0
Other instruction	0.0	0.0	0.0	7.0	6.5	7.0	19.3	12.0	15.1	19.5
Nonpublic school programs	1.0	1.0	1.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0
Adult/continuing education programs	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0
Student & instruction related services	18.0	17.0	17.0	23.5	22.5	23.5	28.5	26.5	26.5	28.5
General administrative services	0.0	0.5	0.5	2.5	2.5	2.5	2.6	1.6	2.0	2.0
School administrative services	7.0	7.0	7.0	9.0	9.0	9.0	9.0	8.0	8.5	9.0
Business administrative services	4.0	3.5	3.5	4.5	4.5	4.5	4.0	3.7	4.7	5.0
Plant operations and maintenance	13.0	14.0	14.0	15.0	14.0	15.0	14.0	14.0	14.0	14.0
Pupil transportation	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0
Food Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Child Care	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	165	164	165	168.6	188.0	168.6	170.6	162.3	166.0	169.3

Source: District Personnel Records

CITY OF WILDWOOD SCHOOL DISTRICT
 Operating Statistics,
 For the Fiscal Year Ended June 30, 2016

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				
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%
2012	846.0	20,904,013.71	24,709	4.21%	132	1:8	1:6	1:7	758.5	703.6	1.84%	92.76%
2013	852.0	20,539,154.49	24,107	4.21%	110	1:9	1:6	1:6	806.1	757.8	6.28%	94.01%
2014	871.0	18,645,011.82	21,406	-11.20%	107	1:10	1:7	1:7	846.2	797.0	4.97%	94.19%
2015	869.0	20,046,281.28	23,068	7.76%	108	1:10	1:7	1:8	828.7	766.4	-2.07%	92.48%
2016	850.0	20,593,955.95	24,228	5.03%	107	1:9	1:8	1:6	837.7	776.2	1.09%	92.66%

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

CITY OF WILDWOOD SCHOOL DISTRICT
School Building Information,
For the Fiscal Year Ended June 30, 2016

Exhibit J-18

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
District Buildings										
<u>Wildwood Middle/High School</u>										
Square Feet	128,170	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	600
Enrollment	411	411	411	423	421	414	448	413	407	403
Elementary										
<u>Glenwood Avenue</u>										
Square Feet	38,500	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	400
Enrollment	446	446	446	409	433	432	404	458	462	447

Other
 Number of Schools at June 30, 2016
 Elementary = 1
 High School/Middle School = 1
 Other = 0

Source: District Records, ASSA

CITY OF WILDWOOD SCHOOL DISTRICT
 General Fund
 For the Fiscal Year Ended June 30, 2016
 Last Ten Fiscal Years
 (Unaudited)

Exhibit J-19

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Wildwood High /Middle School	N/A	1,036,092.00	307,713.00	398,124.00	283,925.00	408,101.00	267,923.99	166,573.00	152,677.32	163,020.10	159,697.21
Glenwood Avenue Elementary	N/A	38,779.00	188,292.00	32,496.24	67,342.00	244,578.00	183,764.84	89,497.00	78,596.00	82,663.46	92,842.30
Total School Facilities		1,074,871.00	496,005.00	430,620.24	351,267.00	652,679.00	451,688.83	256,070.00	231,273.32	245,683.56	252,539.51
Other Facilities			750.00				56,513.32				-
Grand Total		1,074,871.00	496,755.00	430,620.24	351,267.00	652,679.00	508,202.15	256,070.00	231,273.32	245,683.56	252,539.51

Source: District Records

CITY OF WILDWOOD SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2016
(Unaudited)

Exhibit J-20

Company	Type of Coverage	Amount of Coverage	Deductible
NJSIG	Property		
	Real and Personal Property - (per Occurrence)	\$ 33,826,840.00	\$ 5,000.00
	Environmental Package	\$ 1,000,000.00	\$ 25,000.00
	Extra Expense	50,000,000.00	5,000.00
	Valuable Papers and Records	10,000,000.00	5,000.00
	Limited Builders Risk	5,000,000.00	5,000.00
NJSIG	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
NJSIG	Electronic Data Processing		
	Hardware/Software (per occurrence)	\$ 300,000.00	\$ 1,000.00
	Extra Expense	Included	
	Coverage Extensions: Transit	25,000.00	
	Loss of Income	10,000.00	
	Terrorism	included in property	
NJSIG	Equipment Breakdown		
	Combined Single Limit per Accident for Prop Damage	100,000,000.00	5,000.00
	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	
	Contingent Business Income	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 (120 Days notice)	250,000.00	
	Terrorism	included	
NJSIG	Crime		
	Insuring Agreement 1 - Public Employee Dishonesty with Faithful Performance	250,000.00	1,000.00
	Insuring Agreement 2 - Theft, Disappearance and Destruction - Loss of Money & Securities On or Off Premises	10,000.00	500.00
	Insuring Agreement 3 - Theft, Disappearance and Destruction-Money Orders & Counterfeit Paper Currency	5,000.00	500.00
	Insuring Agreement 4 - Forgery or Alteration	100,000.00	1,000.00
	Insuring Agreement 5 - Computer Fraud	100,000.00	1,000.00
	Fidelity Bonds		
	-School Business Administrator/ Board Secretary	210,000.00	1,000.00

CITY OF WILDWOOD SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2016
(Unaudited)

Exhibit J-20

Company	Type of Coverage	Amount of Coverage	Deductible
NJSIG	Comprehensive General Liability		
	Bodily Injury and Property Damage	11,000,000.00	
	Products and Completed Operations	11,000,000.00	
	Sexual Abuse (per occurrence)	11,000,000.00	
	annual aggregate	17,000,000.00	
	Personal Injury and Advertising Injury	11,000,000.00	
	Employee Benefits Liability	11,000,000.00	1,000.00
	Premises Medical Payments (per accident)	10,000.00	
	any one person	5,000.00	
	Terrorism	1,000,000.00	
NJSIG	Automobile		
	Liability		
	Bodily Injury and Prop Damage	11,000,000.00	
	Uninsured/Underinsured Motorists - Private Pass. Veh.	1,000,000.00	
	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	
	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		
	Comprehensive		1,000.00
	Collision		1,000.00
	Hired Car Physical Damage (\$110,000 Limit)		1,000.00
NJSIG	Workers' Compensation and Employers' Liability		
	As per Statutory Regulations		

Single Audit Section



FORD - SCOTT

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K-1 INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the 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, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and have issued our report thereon dated November 30, 2016. 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 presented by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Wildwood School District'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 basic 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements prescribed by the Division of Finance, Department of Education, and State of New Jersey.

Purpose of this Report

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

November 30, 2016



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& ASSOCIATES, L.L.C.

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K-2 INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the City of Wildwood, County of Cape May, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the City of Wildwood School District's major federal and state programs for the year ended June 30, 2016. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Wildwood School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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; and OMB Uniform Guidance and New Jersey OMB 15-08. Those standards, OMB Uniform Guidance and NJ OMB 15-08 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 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 on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City of Wildwood School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the City of Wildwood School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the City of Wildwood School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Wildwood School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance and NJ OMB 15-08, 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 the City of Wildwood School District's internal control over compliance.

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

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

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

November 30, 2016

CITY OF WILLOWOOD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2016

Federal CFDA Number	Federal FAN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2015		Due to Grantor	Carryover Amount	Cash Received	Source		Total	Budgetary Expenditures		Balance at June 30, 2016	
					Accounts Receivable	Unearned Revenue				Pass Through	Direct		MEMO Pass Through to Sub-Recipients	Adjustments	Accounts Receivable	Deferred Revenue
83.778	160N01MAP	N/A	7/1/2015 - 6/30/2016	97,828.95	-	-	-	97,828.95	97,828.95	97,828.95	-	97,828.95	-	-	-	-
84.010A	S010A150030	NCLB5790-15	7/1/2014 - 6/30/2015	654,638.00	272,674.00	48,179.96	-	979,671.60	148,179.96	628,570.62	-	1,508,242.18	-	-	(211,800.00)	34,322.38
84.010A	S010A150030	NCLB5790-16	7/1/2015 - 6/30/2016	612,888.00	672,674.00	48,179.96	-	673,670.00	626,750.56	-	-	1,299,420.56	-	-	(211,800.00)	34,322.38
84.367A	S367A150030	NCLB5790-15	7/1/2014 - 6/30/2015	140,175.00	(29,924.00)	-	-	239,220.00	86,715.45	65,786.00	-	304,996.00	-	-	65,293.00	12,222.55
84.365A	S365A150030	NCLB5790-15	7/1/2014 - 6/30/2015	98,154.00	(63,786.00)	25,483.14	-	62,851.00	62,851.00	-	-	125,702.00	-	-	(16,020.00)	1,327.90
84.365A	S365A150030	NCLB5790-16	7/1/2015 - 6/30/2016	43,455.00	-	-	-	27,475.00	27,475.00	-	-	54,950.00	-	-	-	-
84.027	H027A150100	IDEA5790-16	7/1/2015 - 6/30/2016	264,638.00	-	-	-	264,638.00	264,638.00	-	-	529,276.00	-	-	-	-
84.173	H173A150114	IDEA5790-16	7/1/2015 - 6/30/2016	4,907.00	-	-	-	4,907.00	4,907.00	-	-	9,814.00	-	-	-	-
84.010A	S010A150030	16E00114	9/1/2015 - 8/31/2016	248,648.00	(157,616.00)	62,952.41	-	52,126.00	118,389.28	-	-	166,515.28	-	-	(197,520.00)	131,289.72
84.287C	S287C150030	08-5790	9/1/2015 - 8/31/2016	345,000.00	-	-	-	248,688.00	291,347.65	-	-	539,935.65	-	-	(129,817.00)	86,362.35
84.413A	B413A130008	08-5790	9/1/2011 - 11/30/2015	49,961.00	(30,068.00)	6,440.00	-	30,068.00	6,440.00	-	-	36,508.00	-	-	(80,196.00)	286,114.90
					(352,068.00)	143,053.51	-	1,017,752.00	1,129,830.51	-	-	2,147,582.51	-	-	(80,196.00)	286,114.90
10.550	1616N030AN009	N/A	7/1/2015 - 6/30/2016	31,642.79	(16,012.71)	-	-	31,642.79	31,642.79	-	-	63,285.58	-	-	-	-
10.579	1616N030AN009	N/A	7/1/2014 - 6/30/2016	32,025.42	(24,105.90)	-	-	16,012.71	16,012.71	-	-	32,025.42	-	-	(17,174.22)	-
10.555	1616N030AN009	N/A	7/1/2014 - 6/30/2015	361,538.40	(517.59)	-	-	361,538.40	361,538.40	-	-	723,076.80	-	-	(333.48)	-
10.555	1616N030AN009	N/A	7/1/2014 - 6/30/2015	7,572.90	(16,630.32)	-	-	517.56	517.56	-	-	1,035.12	-	-	(8,073.39)	-
10.555	1616N030AN009	N/A	7/1/2015 - 6/30/2016	7,666.38	(3,795.32)	-	-	3,871.06	3,871.06	-	-	7,742.12	-	-	-	-
10.555	1616N030AN009	N/A	7/1/2014 - 6/30/2015	21,930,697	(3,795.32)	-	-	18,135,302	18,135,302	-	-	36,270,604	-	-	(4,279,399)	-
10.555	1616N030AN009	N/A	7/1/2014 - 6/30/2015	76,027.94	(4,431.38)	-	-	71,596.56	71,596.56	-	-	143,193.12	-	-	(3,102.44)	-
10.555	1616N030AN009	N/A	7/1/2015 - 6/30/2016	22,956.48	(3,795.56)	-	-	19,160.92	19,160.92	-	-	38,321.84	-	-	-	-
10.558	1616N030AN009	N/A	7/1/2014 - 6/30/2015	35,365.90	(4,431.38)	-	-	30,934.52	30,934.52	-	-	61,869.04	-	-	(4,279.39)	-
10.555	1616N030AN009	N/A	7/1/2014 - 6/30/2015	24,515.63	(3,795.56)	-	-	20,720.07	20,720.07	-	-	41,440.14	-	-	(5,224.60)	-
10.555	1616N030AN009	N/A	7/1/2015 - 6/30/2016	25,807.18	(62,272.09)	-	-	21,527.19	21,527.19	-	-	43,054.38	-	-	(62,272.09)	-
					(62,272.09)	-	-	725,653.69	725,653.69	-	-	1,451,307.38	-	-	(62,272.09)	-
					(62,272.09)	-	-	773,927.19	773,927.19	-	-	1,546,254.37	-	-	(62,272.09)	-
					(62,272.09)	143,065.51	-	2,487,910.14	2,487,910.14	-	-	4,975,820.28	-	-	(62,272.09)	286,114.90

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

CITY OF WILLOWOOD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2016

State Grant/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2015			Due to Grantor	Committed (Withdraw) Amount	Cash Received	Budgetary Expenditures	Adjustments of Prior Years Balances	Balance at June 30, 2016		MEMO
				Accounts Receivable	Deferred Revenue	(Accounts Receivable)						Deferred Revenue		
State Department of Education														
Special Education Categorical Aid	16-495-034-5120-069	7/1/2015	6/30/2016	\$										
Transportation Aid	16-495-034-5120-014	7/1/2015	6/30/2016		394,801.00			362,213.64	(394,801.00)				(32,587.36)	394,801.00
Security Aid	16-495-034-5120-065	7/1/2015	6/30/2016		120,076.00			110,164.78	(120,076.00)				(9,911.22)	120,076.00
Adult Education	16-495-034-5120-065	7/1/2015	6/30/2016		3,567,304.00			3,272,854.30	(3,567,304.00)				(294,449.70)	3,567,304.00
Security Aid	16-495-034-5120-064	7/1/2015	6/30/2016		274,601.00			251,935.09	(274,601.00)				(22,665.91)	274,601.00
Extraordinary Aid	15-100-034-5120-473	7/1/2014	6/30/2015		49,598.00			49,598.00						49,598.00
PARC Readiness Aid	16-495-034-5120-098	7/1/2015	6/30/2016		7,750.00			7,110.31	(7,750.00)				(639.69)	7,750.00
Per Pupil Growth Aid	16-495-034-5120-097	7/1/2015	6/30/2016		348.00			348.00						348.00
Non-Public Transportation Aid	15-495-034-5120-067	7/1/2014	6/30/2015		608,900.04			30,198.73						608,900.04
Security Contributions	16-495-034-5095-002	7/1/2015	6/30/2016		608,129.07			579,713.09	(608,129.07)				(28,415.98)	608,129.07
Reimbursed TPAF Social Security Contributions	16-495-034-5095-002	7/1/2015	6/30/2016					5,418,083.34	(5,822,234.07)				(404,150.73)	5,418,083.34
Total General Fund														
Special Revenue Fund:														
Preschool Education Aid	495-034-5120-086	7/1/2014	6/30/2015		385,675.00			370,642.50	(411,825.00)					411,825.00
Preschool Education Aid	495-034-5120-086	7/1/2015	6/30/2016		411,825.00			370,642.50	(411,825.00)					411,825.00
Total Special Revenue Fund														
Capital Projects Fund	5790-050-14-1001-04	open			508,000.00									508,000.00
Total Capital Projects Fund														
State Department of Agriculture														
Enterprise Fund:														
National School Lunch Program (State Share)	100-10-3380-067	7/1/2014	6/30/2015		6,859.53			465.45						6,859.53
National School Lunch Program (State Share)	100-10-3380-067	7/1/2015	6/30/2016		6,977.61			7,137.37	(6,977.61)				(305.69)	6,977.61
Total Enterprise Fund														
Total State Financial Assistance				\$										
					(29,931.14)			5,794,328.66	(6,241,026.68)					6,391,524.72

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

CITY OF WILDWOOD SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards
and State Financial Assistance
For the Year Ended June 30, 2016

Note 1: General

The accompanying schedules of expenditures of federal awards and state 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 federal awards and state 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 Uniform Guidance and NJ OMB 15-08. Therefore, some amounts presented on these schedules may differ from amounts presented in, or used in the presentation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

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 \$36,156.50 for the general fund and (\$83,067.35) 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:

	<u>Federal</u>	<u>State</u>	<u>TPAF Pension</u>	<u>Total</u>
General Fund	\$ 97,828.95	7,256,728.57	(1,398,348.00)	5,956,209.52
Special Revenue Fund	1,529,830.61	411,825.00		1,941,655.61
Food Service Fund	<u>750,967.79</u>	<u>7,172.92</u>		<u>758,140.71</u>
	<u>\$ 2,378,627.35</u>	<u>7,675,726.49</u>	<u>(1,398,348.00)</u>	<u>8,656,005.84</u>

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.

CITY OF WILDWOOD SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards
and State Financial Assistance
For the Year Ended June 30, 2016
(Continued)

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, 2016. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2016.

**CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2016**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified Opinion

Internal control over financial reporting:

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

2) Significant Deficiencies identified? _____ Yes X None reported

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

Federal Awards

Internal Control over major programs:

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

2) Significant Deficiencies identified ? _____ Yes X None reported

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

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? _____ Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I, Part A Cluster: Title I, Part A
10.553 10.555	Child Nutrition Cluster: School Breakfast Program National School Lunch Program

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

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

**CITY OF WILDWOOD BOARD OF EDUCATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDING JUNE 30, 2016
 (CONTINUED)**

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

State Awards

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

Auditee qualified as low-risk auditee? X Yes No

Type of auditor's report issued on compliance for major programs: Unmodified 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 NJ OMB Circular Letter 15-08? Yes X No

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
495-034-5120-078	<u>State Aid - Public</u>
495-034-5120-089	<u>Equalization Aid</u>
495-034-5120-084	Special Education Categorical Aid
495-034-5120-085	Security Aid
495-034-5120-097	Adjustment Aid
495-034-5120-098	PARCC Aid
	Per Pupil Growth Aid

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

NONE

Section III - Federal Awards and State Financial Assistance Statement Findings and Questioned Costs

NONE

**CITY OF WILDWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS**

STATUS OF PRIOR-YEAR FINDINGS:

None noted.

