

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF
WOODSTOWN-PILESGROVE REGIONAL
SCHOOL DISTRICT
WOODSTOWN, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**Prepared by
Woodstown-Pilesgrove Regional Board of Education
Finance Department**

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
OUTLINE OF CAFR**

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INTRODUCTORY SECTION



Woodstown-Pilesgrove Regional School District

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Superintendent of Schools
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November 18, 2016

Honorable President and
Members of the Board of Education
Woodstown-Pilesgrove Regional School District
County of Salem, New Jersey

The comprehensive annual financial report of the Woodstown-Pilesgrove Regional School District (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 (Board). 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 and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996; the U.S. Office of Management and the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 and NJ Treasury Circular OMB 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations, and the Schedule of Findings and Questioned Costs are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: Woodstown-Pilesgrove Regional School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Woodstown-Pilesgrove Regional Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2015-2016 fiscal year with an enrollment of 1527 students, which is 6 students less than prior year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2015-2016	1,596	.26%
2014-2015	1,591	(0.99%)
2013-2014	1,607	(3.74%)
2012-2013	1,669	(1.74%)
2011-2012	1,699	1.10%
2010-2011	1,681	0.90%
2009-2010	1,666	(3.79%)
2008-2009	1,732	3.29%
2007-2008	1,676	0.99%
2006-2007	1,660	(2.12%)
2005-2006	1,696	4.18%

2) ECONOMIC CONDITION AND OUTLOOK: The district continues to work within the 2% local revenue cap to minimize the tax impact. It continues to incorporate efficiencies throughout the budget to fund initiatives to enhance educational programs.

3) MAJOR INITIATIVES

1. Continue to align instruction and planning of all teachers with the Common Core State Standards and New Jersey Core Curriculum Content Standards.
2. Continue the development and implementation of initiatives that reinforce the use of technology as a tool for data management, instructional planning, and assessment.
3. Create a five-year strategic plan.
4. Develop a strategy to increase diversity awareness to better address the increasing needs of a more diverse population through community engagement, staff training, and increasing minority staff in our certificated positions.
5. Continue to drive the second phase of the referendum projects. Complete the current projects in progress and plan for the final summer of projects in 2017.
6. Continue to investigate and implement new sources of revenue to supplement the general fund as well as the enterprise fund. In addition to the new revenue sources, search for cost savings within existing district expenditures to benefit the general fund.

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

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the Borough of Woodstown and the Township of Pilesgrove. 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 cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated 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 and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

7) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule represents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2016, and the amount and percentage of increases in relation to prior year revenues.

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2015</u>	<u>Percent of Increase/ (Decrease)</u>
Local Sources	\$ 16,051,065.	60.75%	\$ 455,009.	2.92%
State Sources	9,741,674.	36.87%	279,309.	2.95%
Federal Sources	<u>628,253.</u>	<u>2.38%</u>	<u>(11,831.)</u>	-1.85%
Total	<u>\$ 26,420,992.</u>	<u>100.00%</u>	<u>\$ 722,487.</u>	<u>2.81%</u>

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	\$ 10,502,840.	39.28%	\$ (356,778.)	-3.29%
Undistributed Expenditures	14,965,069.	55.97%	413,652.	2.84%
Capital Outlay	256,367.	0.96%	183,397.	251.33%
Debt Service	<u>1,015,680.</u>	<u>3.80%</u>	<u>365,438.</u>	56.20%
Total	<u>\$ 26,739,956.</u>	<u>100.00%</u>	<u>\$ 605,709.</u>	<u>2.32%</u>

8) DEBT ADMINISTRATION: At June 30, 2016, the District's outstanding bond debt was \$21,132,000.

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

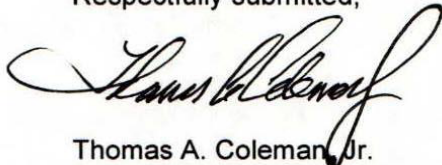
10) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

11) OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Triantos & Delp CPA, LLC, was selected by the Board's audit committee. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 as amended and the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 and NJ Treasury Circular OMB 15-08*. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Woodstown-Pilesgrove Regional 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,



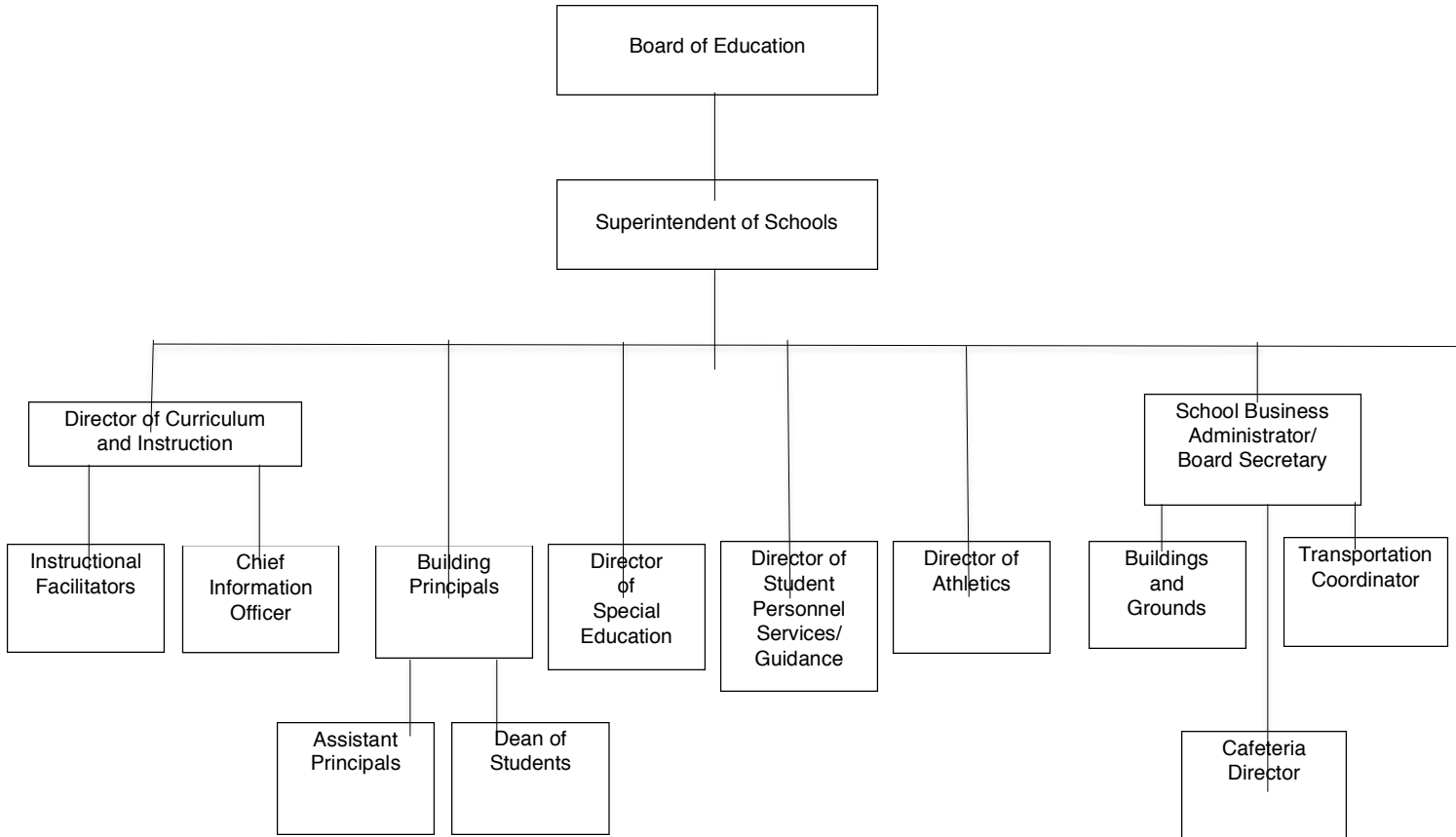
Thomas A. Coleman, Jr.
Superintendent of Schools



Frank A. Rizzo
School Business Administrator/Board Secretary

Exhibit

ORGANIZATIONAL CHART



Adopted: October 19, 2006
Revised: October 28, 2010
August 28, 2014
June 25, 2015

**WOODSTOWN-PILESGROVE REGIONAL
BOARD OF EDUCATION
WOODSTOWN, NEW JERSEY**

ROSTER OF OFFICIALS
JUNE 30, 2016

Members of the Board of Education **Term Ending**

Mark Kelty, President.....	2017
Robert Iocona, Vice President.....	2016
Patrick Bates	2018
Hue Grant	2016
Eileen Miller.....	2017
Judy Morgan	2016
Floyd Pennal.....	2017
Ronald Rattigan.....	2018
Valerie Spence-Lacy.....	2018

Sending District Members

Richard Morris, Alloway	2016
Daniel Belisario, Upper Pittsgrove.....	2016

Other Officials

Thomas A. Coleman, Jr., Superintendent of Schools
Frank A. Rizzo, School Business Administrator/Board Secretary
James Hackett, Treasurer of School Monies

**WOODSTOWN-PILESGROVE REGIONAL
BOARD OF EDUCATION
WOODSTOWN, NEW JERSEY**

Consultants and Advisors

Architects

Garrison Architects
14000 F. Commerce Parkway
Mount Laurel, NJ 08054

Audit Firm

Triantos & Delp, CPA, LLC
645 S. Main Road
Vineland, NJ 08360

Attorney

Robert A. Muccilli
Capehart & Scatchard, P.A.
8000 Midlantic Drive, Suite 300S
Mt. Laurel, NJ 08054

Fiscal Agents

The Bank
1 South Main Street
Woodstown, NJ 08098

The Depository Trust Company
55 Water Street, 50th Floor
New York, NY 10041-0099

Official Depositories

Fulton Financial Corporation (The Bank)
1 South Main Street
Woodstown, NJ 08098

Franklin Savings Bank SLA
1179 Route 40
Pilesgrove, NJ 08098

State of NJ Cash Management Fund
P.O. Box 290
Trenton, NJ 08625-0290

Vanguard Group, Philadelphia
R.C. McHarness Chemistry Student Activity Fund

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Woodstown-Pilesgrove Regional School District
County of Salem, New Jersey

Report on 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 Board of Education of the Woodstown-Pilesgrove Regional School District in the County of Salem, in the State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Board of Education'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; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 an 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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

INDEPENDENT AUDITOR'S REPORT

(Continued)

Opinions

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 Woodstown-Pilesgrove Regional Board of Education in the County of Salem, 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 Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pension, and Notes to the Required Supplemental Information on pages 39 through 55 and 56 be presented to supplement the basic financial statements. Such information, although not 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 response 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 Woodstown-Pilesgrove Regional Board of Education's basic financial statements. The accompanying 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 schedule of expenditures of state awards as required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying introductory information, statistical sections, combining and individual non-major fund financial statements are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

The introductory informational and statistical section have not been subjected 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2016 on our consideration of the Woodstown-Pilesgrove Regional Board of Education'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 Woodstown-Pilesgrove Regional Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,



Samuel A. Delp, Jr.
Public School Accountant, #745
Triantos & Delp
Certified Public Accountants, LLC

November 18, 2016

REQUIRED SUPPLEMENTARY INFORMATION–PART I

MANAGEMENT'S DECISION AND ANALYSIS



Woodstown-Piles Grove Regional School District

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Frank A. Rizzo
School Business Administrator
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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Woodstown-Piles Grove Regional Board of Education (WPRBOE) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2016. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts - management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the district.

- The first two statements are *district-wide financial statements* that provide both *short-term and long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in more detail than the district-wide statements.
- The *governmental funds* statements tell how *basic* services like regular and special education were financed in the *short term* as well as what remains for future spending.
- *Proprietary funds* statements offer *short and long-term* financial information about the activities of how the district operates *like businesses*.
- *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the financial statements with a comparison of the District's budget for the year.

Figure A-1
Major Features of District-Wide and Fund Financial Statements

Fund Financial Statements				
	District-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services and adult education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial statements	-Statement of net assets -Statement of activities	-Balance sheet -Statement of revenues, expenditures, and changes in fund balances	-Statement of net assets -Statement of revenues, expenses, and changes in fund net assets -Statement of cash flows	-Statement of fiduciary net assets -Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified Accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability Information	All assets and liabilities both financial and capital, short-term and long term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities both financial and capital and short-term and long-term	All assets and liabilities both short-term and long-term; the district's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the type of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

District-wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's *net position* and how it has changed. Net position - the difference between the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources - are one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school building and other facilities.

In the district-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities* - Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities* - The District charges fees to help it cover the cost for certain services it provides. The District's food services program is included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's *funds*, focusing on its most significant or "major" funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State Law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like completing approved capital projects) or to show that it is properly using certain revenues (like federal grants).

The District has four kinds of funds:

- *Governmental Fund* - Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information with the governmental funds statements that explains the relationship or differences between them.
- *Proprietary funds* - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
- In fact, the District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flow.
- *Internal service funds* (the other kind of proprietary fund) are utilized to report activities that provide supplies and services for the District's other programs and activities and for other Districts (student transportation). WPRBOE currently has no internal service funds.
- *Fiduciary funds* - The District is the trustee, or *fiduciary*, for assets that belong to others, such as the scholarship fund and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (in thousands)

Net position. The District's *combined* net position is (\$2,316) on June 30, 2016 (see Table A-1).

Changes in net position. The District's total revenues are \$31,912 for the fiscal period ending June 30, 2016 (see Table A-2). Property taxes and state formula aid accounted for 64% of the District's revenue. 19% is derived from state and federal aid for specific programs, and the remainder, 17% from fees charged for services and miscellaneous resources.

The District's expenses are predominantly related to educating students and caring for students 43%. The purely administrative activities of the District accounted for 8% of total costs. Salary increases due to contractual agreements for teachers and other educational staff is included in the instruction-related costs. Total revenues surpassed expenses, increasing net position approximately \$1,421 from last year, primarily in governmental activities.

Governmental Activities - Revenues for the District's governmental activities amounted to \$31,247. Total expenses amounted to \$29,809. The increase in net position in governmental activities was \$1,438 for 2016.

Business-type Activities - Revenues of the District's business-type activities amounted to \$665 and expenses were \$682.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (in thousands)

The financial performance of the District as a whole is primarily reflected in its governmental funds. As the district completed the year, its governmental funds reported *combined* balances of \$9,166. There was \$9,326 balance in the capital project fund. Tuition and miscellaneous revenue exceeded the amounts anticipated in the 2016 budget. The District also controlled expenditures.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were all of the same category:

- Transfers between budgetary line accounts to prevent overruns.

The District's final budget anticipated utilizing \$500 in general fund balance and \$28 of prior year encumbrances to fund the appropriation plan for this fiscal period. Operations actually resulted in a decrease of \$130 in fund balance.

Actual expenditures for capital outlay amounted to \$255 in the Operating Fund and \$0 from the special revenue fund. The balance of expenditures for capital outlay in the amount of \$4,437 was from the Capital Project Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION (in thousands)

Capital Assets

By the end of 2016, the District had invested \$26,239 in a broad range of capital assets, including school buildings, athletic facilities, computer and audiovisual equipment, and administrative offices. (see Table A-3) (more detailed information about capital assets can be found in Note 5 to the financial statements.) Total depreciation expense for the year was \$457 while building improvements and additions to equipment and furniture amounted to \$4,686.

Long-term Debt

At year-end, the District had outstanding bonds in the amount of \$21,132. There was \$370 in outstanding long-term capital lease obligations. (More detailed information about long-term debt can be found in Note 7 to the financial statements.)

The state limits the amount of general obligation debt the district can issue to 4 percent of equalized valuation of all taxable property within the district. The current limit is \$28,571 of which \$7,439 is available for the insurance of debt.

FACTORS BEARING ON THE DISTRICT'S FUTURE

Last year the district faced a \$700,000 deficit. In order to balance that deficit, the district cut staff and proposed outsourcing the paraprofessionals, nighttime custodians, and cafeteria personnel. That proposal was met with significant public resistance. However, the Board of Education did vote to go out for proposals, which resulted in the cafeteria and custodial groups offering a proposal of their own and helped to close the deficit. Three paraprofessional positions were then eliminated in order to prevent outsourcing their group. If the district faces another deficit in the coming year, outsourcing may have to be revisited if savings cannot be recognized in other areas of the budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Frank A. Rizzo, Business Administrator, Woodstown-Pilesgrove Regional Board of Education, 135 East Avenue, Woodstown, New Jersey 08098.

Table A-1
Woodstown - Pilesgrove Regional Board of Education's Net Position
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change 2015-2016
	2015	2016	2015	2016	2015	2016	
Assets							
Capital Assets	\$ 12,740.	\$ 9,839.	\$ 96.	\$ 63.	\$ 12,836.	\$ 9,902.	-22.9%
Total Assets	\$ 25,825.	\$ 27,153.	\$ 149.	\$ 106.	\$ 25,974.	\$ 27,259.	4.9%
Deferred Outflow of Resources	\$ 943.	\$ 1,774.	\$ 59.	\$ 112.	\$ 1,002.	\$ 1,886.	0.0%
Current Liabilities	\$ 1,708.	\$ 2,251.	\$ 102.	\$ 61.	\$ 1,810.	\$ 2,312.	27.7%
Noncurrent Liabilities	28,108.	28,535.	403.	487.	28,511.	29,022.	1.8%
Total Liabilities	\$ 29,816.	\$ 30,786.	\$ 505.	\$ 548.	\$ 30,321.	\$ 31,334.	3.3%
Deferred Inflow of Resources	\$ 370.	\$ 121.	\$ 23.	\$ 7.	\$ 393.	\$ 128.	0.0%
Net Position							
Invested in Capital Assets							
Net of Related Debt	\$ (8,691.)	\$ (4,372.)	\$ 52.	\$ 43.	\$ (8,639.)	\$ (4,329.)	-49.9%
Restricted	12,082.	9,592.	0.	0.	12,082.	9,592.	-20.6%
Unrestricted	(6,809.)	(7,200.)	(372.)	(380.)	(7,181.)	(7,580.)	5.6%
Total Net Position	\$ (3,418.)	\$ (1,980.)	\$ (320.)	\$ (337.)	\$ (3,738.)	\$ (2,317.)	-38.0%

Table A-2
Woodstown - Pilesgrove Regional Board of Education's
Changes in Net Position
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change 2015-2016
	2015	2016	2015	2016	2015	2016	
Revenues							
Program Revenues							
Charges for Services	\$ 0.	\$ 0.	\$ 392.	\$ 531.	\$ 392.	\$ 531.	35.5%
Federal & State Categorical Grants	4,693.	5,999.	220.	64.	4,913.	6,063.	23.4%
General Revenues							
Property Taxes	10,579.	11,048.	0.	0.	10,579.	11,048.	4.4%
State Formula Aid	7,921.	9,268.	0.	0.	7,921.	9,268.	17.0%
Other	4,964.	4,932.	94.	70.	5,058.	5,002.	-1.1%
Total Revenues	\$ 28,157.	\$ 31,247.	\$ 706.	\$ 665.	\$ 28,863.	\$ 31,912.	10.6%
Expenses							
Instruction - Related	\$ 10,734.	\$ 10,374.	\$ 0.	\$ 0.	\$ 10,734.	\$ 10,374.	-3.4%
Student Support Services	2,730.	2,860.	0.	0.	2,730.	2,860.	4.8%
Maintenance & Operations	2,168.	2,166.	0.	0.	2,168.	2,166.	-0.1%
Transportation	898.	955.	0.	0.	898.	955.	6.3%
Administration	2,299.	2,295.	0.	0.	2,299.	2,295.	-0.2%
Other	9,710.	11,159.	700.	682.	10,410.	11,841.	13.7%
Total Expenses	\$ 28,539.	\$ 29,809.	\$ 700.	\$ 682.	\$ 29,239.	\$ 30,491.	4.3%
Increase/(decrease) in Net Position	\$ (382.)	\$ 1,438.	\$ 6.	\$ (17.)	\$ (376.)	\$ 1,421.	-477.9%

Table A-3
Woodstown - Pilesgrove Regional Board of Education's Capital Assets
(Net of Depreciation)
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change 2015-2016
	2015	2016	2015	2016	2015	2016	
Land	\$ 872.	\$ 872.	\$ 0.	\$ 0.	\$ 872.	\$ 872.	0.0%
Construction in Progress	9,770.	4,395.	0.	0.	9,770.	4,395.	-55.0%
Site Improvements	380.	351.	0.	0.	380.	351.	-7.6%
Buildings & Improvements	1,656.	11,177.	0.	0.	1,656.	11,177.	574.9%
Machinery & Equipment	407.	519.	52.	43.	459.	562.	22.4%
Total	\$13,085.	\$17,314.	\$ 52.	\$ 43.	\$13,137.	\$17,357.	32.1%

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 7,707,652.	\$ 25,481.	\$ 7,733,133.
Investments	15,306.	0.	15,306.
Receivables, net	2,116,003.	18,572.	2,134,575.
Inventory	0.	18,173.	18,173.
Capital assets, net (Note 7)	17,314,174.	43,443.	17,357,617.
Total Assets	<u>27,153,135.</u>	<u>105,669.</u>	<u>27,258,804.</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>1,774,088.</u>	<u>112,067.</u>	<u>1,886,155.</u>
LIABILITIES			
Accounts payable	10,115.	4,952.	15,067.
Pension account payable	312,055.	19,547.	331,602.
Interfund payable	(35,946.)	35,946.	0.
Unearned revenue	48,654.	475.	49,129.
Note Payable	650,000.	0.	650,000.
Accrued interest	184,713.	0.	184,713.
Noncurrent liabilities:			
Due within one year	1,081,794.	0.	1,081,794.
Due in more than one year	21,032,046.	15,562.	21,047,608.
Net pension liability	7,502,683.	471,165.	7,973,848.
Total Liabilities	<u>30,786,114.</u>	<u>547,647.</u>	<u>31,333,761.</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>120,945.</u>	<u>7,259.</u>	<u>128,204.</u>
NET POSITION			
Invested in capital assets, net of related debt	(4,372,064.)	43,443.	(4,328,621.)
Restricted for:			
Capital projects	9,326,988.	0.	9,326,988.
Other purposes	265,420.	0.	265,420.
Unrestricted	(7,200,180.)	(380,613.)	(7,580,793.)
Total Net Position	<u>\$ (1,979,836.)</u>	<u>\$ (337,170.)</u>	<u>\$ (2,317,006.)</u>

See Accompanying Notes to the Basis Financial Statements

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

Functions/Programs	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
Governmental activities:				
Instruction:				
Regular	\$ 6,890,189.	\$ 0.	\$ (6,890,189.)	\$ 0.
Special education	2,628,113.		(2,628,113.)	
Other special instruction	348,070.		(348,070.)	
Other instruction	507,708.		(507,708.)	
Support services:				
Tuition	660,539.		(660,539.)	
Student & instruction related services	2,199,543.		(2,199,543.)	
School administrative services	1,285,064.		(1,285,064.)	
General and business administrative services	487,203.		(487,203.)	
Central services	463,782.		(463,782.)	
Admin info tech	59,361.		(59,361.)	
Plant operations and maintenance	2,166,468.		(2,166,468.)	
Pupil transportation	954,529.		(954,529.)	
Employee benefits	10,292,654.	5,998,769.	(4,293,885.)	
Interest on long-term debt	637,950.		(637,950.)	
Unallocated depreciation	221,710.		(221,710.)	
NJ Debt service assessment	6,294.		(6,294.)	
Total governmental activities	29,809,177.	0.	(23,810,408.)	0.
Business-type activities:				
Food Service	614,643.	236,428.	0.	(83,808.)
Other	67,018.	0.	0.	(3,468.)
Total business-type activities	681,661.	236,428.	0.	(87,276.)
Total primary government	\$ 30,490,838.	\$ 6,235,197.	\$ (23,810,408.)	\$ (87,276.)
General revenues:				
Taxes:				
Property taxes, levied for general purposes, net			\$ 10,146,692.	\$ 0.
Taxes levied for debt service			901,877.	901,877.
Federal and State aid not restricted			6,937,469.	6,937,469.
Federal and State aid restricted			2,330,505.	2,330,505.
Tuition received			4,531,208.	4,531,208.
Investment Earnings			15,428.	133.
Miscellaneous Income			455,860.	455,860.
Transfers			(70,202.)	70,202.
Total general revenues, special items, extraordinary items and transfers			25,248,837.	70,335.
Change in Net Position			1,438,429.	(16,941.)
Net Position—beginning			(3,418,265.)	(320,229.)
Net Position—ending			(1,979,836.)	(337,170.)

See Accompanying Notes to the Basic Financial Statements

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 148,386.	\$ 13,977.	\$ 7,545,289.	\$ 0.	\$ 0.	\$ 7,707,652.
Investments	15,306.					15,306.
Due from other funds	32,784.					32,784.
Receivables from other governments	303,998.	29,864.	1,781,698.			2,115,560.
Other	3,605.					3,605.
Total assets	\$ 504,079.	\$ 43,841.	\$ 9,326,987.	\$ 0.	\$ 0.	\$ 9,874,907.
Liabilities and Fund Balances:						
Liabilities:						
Accounts payable	\$ 9,996.	\$ 119.	\$ 0.	\$ 0.	\$ 0.	\$ 10,115.
Unearned revenue	1,632.	47,022.				48,654.
Note payable	650,000.					650,000.
Total liabilities	661,628.	47,141.	0.	0.	0.	708,769.
Fund Balances:						
Nonspendable:						
Restricted for:						
Maintenance reserve	18,929.					18,929.
Capital reserve	1.					1.
Committed to:						
Other purposes	46,490.					46,490.
Assigned to:						
Designated by BOE for subsequent year's expenditures	200,000.					200,000.
Capital projects			9,326,987.			9,326,987.
Unassigned:						
General fund	(422,969.)					(422,969.)
Special revenue fund		(3,300.)				(3,300.)
Total Fund balances	(157,549.)	(3,300.)	9,326,987.	0.	0.	9,166,138.
Total liabilities and fund balances	\$ 504,079	\$ 43,841	\$ 9,326,987	\$ -	\$ -	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$26,239,480 and the accumulated depreciation is \$8,925,306 (See Note 5). \$ 17,314,174.

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7). (22,298,553.)

Pension related items:

Deferred outflow of resources	\$ 1,774,088.
Deferred inflow of resources	(120,945.)
Pension account payable	(312,055.)
Net pension liability	<u>(7,502,683.)</u>
Total pension related items	(6,161,595.)

Net assets of governmental activities \$ (1,979,836.)

See Accompanying Notes to the Basis Financial Statements

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
REVENUES:						
Local sources:						
Local tax levy	\$ 10,146,692.	\$ 0.	\$ 0.	\$ 901,877.	\$ 0.	\$ 11,048,569.
Tuition charges	4,417,405.			113,803.		4,531,208.
Interest earned	15,428.					15,428.
Miscellaneous	453,167.	2,693.				455,860.
Total local sources	15,032,692.	2,693.	0.	1,015,680.	0.	16,051,065.
State sources	9,708,674.	33,000.	1,700,792.			11,442,466.
Federal sources	31,540.	596,713.				628,253.
Total revenues	24,772,906	632,406	1,700,792	1,015,680	-	28,121,784
EXPENDITURES:						
Current:						
Regular instruction	7,034,950.					7,034,950.
Special education instruction	2,045,900.	566,212.				2,612,112.
Other special instruction	348,070.					348,070.
Other instruction	507,708.					507,708.
Support services:						
Tuition	660,539.					660,539.
Student & instruction related services	2,153,678.	41,294.				2,194,972.
School administrative services	1,285,064.					1,285,064.
Other administrative services	487,203.					487,203.
Central services	463,782.					463,782.
Admin info tech	59,361.					59,361.
Plant operations and maintenance	1,956,185.					1,956,185.
Pupil transportation	954,529.					954,529.
Employee benefits	6,878,534.	24,900.				6,903,434.
Debt service:						
Principal				375,000.		375,000.
Interest and other charges				640,680.		640,680.
Capital outlay	255,367.		4,436,890.			4,692,257.
Total expenditures	25,090,870.	632,406.	4,436,890.	1,015,680.	0.	31,175,846.
Excess (deficiency) of revenues over expenditures	(317,964.)	0.	(2,736,098.)	0.	0.	(3,054,062.)
OTHER FINANCING SOURCES (USES):						
Capital leases (non-budgeted)	249,073.					249,073.
Transfers out	(70,202.)					(70,202.)
Total other financing sources and uses	178,871.	0.	0.	0.	0.	178,871.
Net change in fund balance	(139,093.)	0.	(2,736,098.)	0.	0.	(2,875,191.)
Fund balance—July 1	(18,456.)	(3,300.)	12,063,085.	0.	0.	12,041,329.
Fund balance—June 30	\$ (157,549.)	\$ (3,300.)	\$ 9,326,987.	\$ 0.	\$ 0.	\$ 9,166,138.

See Accompanying Notes to the Basic Financial Statements

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

Total net changes in fund balances - governmental funds (from B-2)	\$ (2,875,191.)						
Amounts reported for governmental activities in the statement of activities (A-2) are different because:							
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.							
This is the amount by which capital outlays exceeded depreciation in the period.							
	<table border="0" style="margin-left: 400px;"> <tr> <td style="padding-right: 20px;">Depreciation expense</td> <td style="text-align: right;">(457,136.)</td> <td></td> </tr> <tr> <td>Capital outlays</td> <td style="text-align: right;"><u>4,685,963.</u></td> <td style="text-align: right;">4,228,827.</td> </tr> </table>	Depreciation expense	(457,136.)		Capital outlays	<u>4,685,963.</u>	4,228,827.
Depreciation expense	(457,136.)						
Capital outlays	<u>4,685,963.</u>	4,228,827.					
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.	375,000.						
Repayment of capital lease principal	149,332.						
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.							
	<table border="0" style="margin-left: 400px;"> <tr> <td style="padding-right: 20px;">Proceeds of long-term debt</td> <td></td> <td></td> </tr> <tr> <td>Capital lease proceeds</td> <td style="text-align: right;"><u>(249,073.)</u></td> <td style="text-align: right;">(249,073.)</td> </tr> </table>	Proceeds of long-term debt			Capital lease proceeds	<u>(249,073.)</u>	(249,073.)
Proceeds of long-term debt							
Capital lease proceeds	<u>(249,073.)</u>	(249,073.)					
Payment of accrued interest on long-term debt is an expenditure in the governmental funds, but the payment reduces the liability in the statement of net assets and is not reported in the statement of activities.	<table border="0" style="margin-left: 400px;"> <tr> <td style="padding-right: 20px;">Decrease in accrued interest</td> <td></td> <td style="text-align: right;">2,730.</td> </tr> </table>	Decrease in accrued interest		2,730.			
Decrease in accrued interest		2,730.					
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 reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).							
	14,140.						
Payment of 2008-2009 PERS contribution deferred to future years	12,053.						
Increase in pension expense	(3,415,415.)						
Increase in on-behalf pension payments	<u>3,196,026.</u>						
Change in net assets of governmental activities	<u>\$ 1,438,429.</u>						

See Accompanying Notes to the Basic Financial Statements

PROPRIETARY FUNDS

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2016

	<u>Total Enterprise Funds</u>
ASSETS:	
Current Assets:	
Cash and cash equivalents	\$ 25,481.
Accounts receivable:	
Federal	10,505.
State	281.
Other	7,786.
Inventory	18,173.
Total current assets	<u>62,226.</u>
Noncurrent assets:	
Furniture, machinery & equipment	136,227.
Less accumulated depreciation	(92,784.)
Total noncurrent assets	<u>43,443.</u>
Total assets	<u>105,669.</u>
DEFERRED OUTFLOW OF RESOURCES:	<u>112,067.</u>
LIABILITIES:	
Current Liabilities:	
Interfund payable	35,946.
Accounts payable	4,952.
Pension account payable	19,547.
Unearned revenue	475.
Total current liabilities	<u>60,920.</u>
Noncurrent liabilities:	
Compensated absences	15,562.
Net pension liability	471,165.
Total noncurrent liabilities	<u>486,727.</u>
Total liabilities	<u>547,647.</u>
DEFERRED INFLOW OF RESOURCES:	<u>7,259.</u>
NET POSITION:	
Invested in capital assets net of related debt	43,443.
Unrestricted	(380,613.)
Total net position	<u>\$ (337,170.)</u>

See Accompanying Notes to the Basic Financial Statements

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
JUNE 30, 2016

	<u>Total Enterprise Funds</u>
Operating revenues:	
Changes for services:	
Daily sales-reimbursable programs	\$ 162,370.
Daily sales non-reimbursable programs	132,037.
Fees	63,550.
Total operating revenues	<u>357,957.</u>
Operating expenses:	
Cost of sales	196,380.
Salaries	272,802.
Payroll taxes and fringe benefits	172,600.
Pension expense	14,004.
Supplies	8,487.
Depreciation	9,026.
Other	8,362.
Total operating expenses	<u>681,661.</u>
Operating income/(loss) before transfer	(323,704.)
Operating transfer in/(out):	
Operating transfers in/(out)	<u>70,202.</u>
Operating income/(loss)	<u>(253,502.)</u>
Nonoperating revenues (expenses):	
State sources:	
State school lunch program	5,076.
Federal sources:	
National school breakfast program	18,173.
National school lunch program	164,068.
USDA commodities	49,111.
Interest and investment revenue	133.
Total nonoperation revenues (expenses)	<u>236,561.</u>
Change in net position	(16,941.)
Total net position - beginning	<u>(320,229.)</u>
Total net position - ending	<u>\$ (337,170.)</u>

See Accompanying Notes to the Basic Financial Statements

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR YEAR ENDED JUNE 30, 2016

		<u>Total Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	\$	352,036.
Payments to employees		(272,802.)
Payment for employee benefits		(172,600.)
Payments to suppliers		(212,788.)
Net cash provided by (used for) operating account		<u>(306,154.)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State Sources		5,081.
Federal Sources		181,818.
Transfer in/(out)		70,202.
Net cash provided by (used for) non-capital financing activities		<u>257,101.</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Equipment		0.
Interest of investments		133.
Net cash provided by investing activities		<u>133</u>
Net increase (decrease) in cash and cash equivalents		(48,920.)
Balances - beginning of year		74,401.
Balances - end of year	\$	<u><u>25,481.</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$	(323,704.)
Adjust to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation and net amortization		9,026.
Federal commodities		49,111.
(Increase)/decrease in accts receivables, net		(4,799.)
(Increase)/decrease in inventories		(9,669.)
(Increase)/decrease in deferred outflow		(53,051.)
Increase/(decrease) in accounts payable		(14,438.)
Increase/(decrease) in unearned revenues		(1,122.)
Increase/(decrease) in interfund payable		(25,193.)
Increase/(decrease) in accrued salaries benefits		1,476.
Increase/(decrease) in deferred inflow		(15,925.)
Increase/(decrease) in net pension liability		82,134.
Total adjustments		<u>17,550.</u>
Net cash provided by (used for) operating activities	\$	<u><u>(306,154.)</u></u>

See Accompanying Notes to the Basic Financial Statements

FIDUCIARY FUNDS

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF JUNE 30, 2016

	Unemployment Compensation Trust	Scholarship Fund	Payroll/ Agency Fund	Student Activity
ASSETS:				
Cash and cash equivalents	\$ 49,916.	\$ 3,884.	\$ (3,524.)	\$ 270,345.
Investments	171,490.	10,000.		
Due from Student Groups		7,496.		
Due from Unemployment			363.	
Due from General			3,161.	
Total Assets	<u>221,406.</u>	<u>21,380.</u>	<u>0.</u>	<u>270,345.</u>
DEFERRED OUTFLOW OF RESOURCES:				
LIABILITIES:				
Due to Scholarship Fund				7,496.
Due to Student Groups				262,849.
Due to Agency	363.			
Due to Payroll Withholding	5,170.			
Total Liabilities	<u>5,533.</u>	<u>0.</u>	<u>\$ 0.</u>	<u>\$ 270,345.</u>
DEFERRED INFLOW OF RESOURCES:				
NET POSITION:				
Held in trust for unemployment claims	<u>\$ 215,873.</u>			
Reserved for Scholarships		<u>\$ 21,380.</u>		

See Accompanying Notes to the Basic Financial Statements

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR FISCAL YEAR ENDED JUNE 30, 2016

	Unemployment Compensation Trust	Private Purpose Scholarship Fund
ADDITIONS:		
Contributions:		
Plan member	\$ 23,423.	\$ 0.
Other	0.	2,031.
Total Contributions	<u>23,423.</u>	<u>2,031.</u>
Investment Earnings:		
Interest	675.	170.
Net Investment Earnings	<u>675.</u>	<u>170.</u>
DEDUCTIONS:		
Scholarships Awarded	0.	3,350.
Unemployment Claims	56,860.	0.
Other	10,244.	3,170.
Total Deductions	<u>67,104.</u>	<u>6,520.</u>
Transfer in/(out)	0.	0.
Change in Net Position	(43,006.)	(4,319.)
NET POSITION, JULY 1	<u>258,879.</u>	<u>25,699.</u>
NET POSITION, JUNE 30	<u>\$ 215,873.</u>	<u>\$ 21,380.</u>

See Accompanying Notes to the Basic Financial Statements

NOTES TO FINANCIAL STATEMENTS

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Woodstown-Pilesgrove Regional 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 chief school administrator 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 Woodstown-Pilesgrove Regional 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 Woodstown-Pilesgrove Regional School District is a Type II district located in the County of Salem, 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 (7) members elected to three (3) year terms, plus one (1) member from each of the two (2) sending districts. The purpose of the district is to educate students in grades Pre-K to 12. The Woodstown-Pilesgrove Regional School District had an enrollment at June 30, 2016 of 1527 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 had no component units.

B. Basic Financial Statements – Governmental 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, special revenue, capital projects, and debt service activities are classified as governmental activities. The District's food service and community education and recreation (CER) programs are classified as business-type activities.

In the governmental-wide Statement of Net Position, both the governmental and business-type activities column (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 are 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.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities. 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.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. Basic Financial Statements – Governmental Wide Financial Statements – (Continued)

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

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. Nonmajor funds by a category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category of the governmental and enterprise combined) for the determination of major funds. The nonmajor 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:

1. 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: The 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. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

C. Basic Financial Statements – Fund Financial Statements – (Continued)

- c. Capital Projects Fund: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

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 or unrestricted fund balance is available, the District considers restricted funds to be 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, then assigned funds and finally unassigned funds as needed.

2. 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:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users of 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 operates a food service fund to provide a child nutrition program for the students of the district. The District also operates a CER program to provide educational and recreational activities to the community.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

C. Basic Financial Statements – Fund Financial Statements – (Continued)

- b. Internal Service Fund are used to charge costs for certain activities to individual funds or other governmental entities. The District’s internal service fund comprised of the Joint Pupil Transportation Program.

3. 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.

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 entity-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.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Financial Statement Amounts – (Continued)

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public funds in public depositories protected from loss under the provisions of the Government 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.

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 transferred to the general or debt service fund.

3. Inventories:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as an expenditure during the year of purchase.

On district-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2016.

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 extended 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
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Financial Statement Amounts – (Continued)

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 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 other than those reported in the enterprise fund are reported in the period when inventory items are purchased, rather than in the period used.

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 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 benefitting 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.

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Financial Statement Amounts – (Continued)

9. Budgets/Budgetary Control:

Annual appropriation 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.

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

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

10. Tuition Receivables:

Tuition charges were established by the Boards of Education based on estimated costs. The District had \$4,531,208 tuition revenue for fiscal years ended June 30, 2016.

11. Tuition Payable:

Tuition charges for the fiscal years 2015/2016 were based on rates established by the receiving district. These rates are subjected to change when the actual costs have been determined.

12. 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.

13. Allocation of Costs:

In the government-wide statement of activities, the District has not allocated unallocated benefits to various programs.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

E. Financial Statement Amounts – (Continued)

14. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and 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, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72, "Fair Value Measurement and Application". This statement is effective for fiscal periods beginning after June 15, 2015 will not have any effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 73, "Accounting and Financial Reporting for Pension and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement 67 and 68". This statement is effective for fiscal periods beginning after June 30, 2016, will not have any effect on the District's financial reporting.

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 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 Plans 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 June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 76, "The Hierarchy of General Accepted Accounting Principles for State and Local Governments." This statement is effective for fiscal periods beginning June 30, 2015, will not have any effect on the District's financial reporting.

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents includes petty cash, change funds, cash in banks and highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest.

Investments are stated at cost, or amortized cost, which approximates market. The Board classifies U.S. Treasury with Agency obligations and certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments 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 in which they may invest. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts as follows:

- a.) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b.) Bonds or any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c.) Bonds or other obligations of the school district.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS – (Continued)

School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund. As of June 30, 2016, the District had no funds on deposit with the New Jersey Cash Management.

Deposits:

N.J.S.A. 17:9-41, et seq, establish requirements for the security of deposits of governmental units. The statutes require that school districts deposit public funds in public depositories secured in accordance with the Governmental Unit Deposit Protection Act, which is a multiple financial institution collateral pool enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution located in New Jersey, which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories.

Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured.

All public depositories must pledge collateral, having a market value at least equal to 5% of the average daily balance of collected public funds on deposit, 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 Governmental Units.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New Jersey, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

The school district has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the Governmental Unit Deposit Protection Act and approves a list of authorized depository institutions based on an evaluation of solicited responses and presentation of GUDPA certifications provided by the financial institutions.

As of June 30, 2016, cash and cash equivalents in the fund financial statements of the District consisted of the following:

	Cash and Cash Equivalents	Investments	Total
Checking account	\$8,063,746.	\$0.	\$8,063,746.
Certificates of Deposit	0.	186,797.	186,797.
TOTAL	\$8,063,746.	\$186,797.	\$8,250,543.

Custodial Credit Risk:

Custodial credit presents a risk that in the event of a bank failure, the School District’s deposits may not be returned to it. The School District’s formal policy regarding custodial credit risk is in compliance with N.J.S.A. 17:9-41 et seq. that the School District deposit all public funds in public depositories protected from loss under the provisions of GUDPA Act as previously described.

The District does not place a limit on the amount that may be invested in any one issuer. As of June 30, 2016, the District’s bank balance of \$8,920,561 was insured or collateralized as follows:

Insured by Depository Insurance	\$471,406.
Collateralized under GUDPA	8,449,155.
TOTAL	\$8,920,561.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS – (Continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations. The District does not have a policy that restricts investment choices beyond Title 18A:20-37.

NOTE 3 - CAPITAL RESERVE ACCOUNT

A capital reserve account was established by New Jersey school districts for the accumulation of funds for 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 deposit funds into the capital reserve at any time upon board resolution through the transfer of undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Post-April, 2005 transfers must be in compliance with P.L.2005, C73(S1701). Pursuant to N.J.A.C. 6A:23A-14.1(g) the balance in the account cannot at any time exceed the local support cost of uncompleted capital projects of \$18,549,195 as shown in the approved LRFP.

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	\$1.
Interest earnings	0.
Deposits – Approved in 2015/2016 Budget	0.
Board Resolution	0.
Withdrawals – Board Resolution	0.
Total Withdrawals	0.
Ending balance, June 30, 2016	\$1.

NOTE 4 - MAINTENANCE RESERVE

The Maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701). Districts may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (N.J.A.C. 6A:23-2.14) or by transfer by board resolution at year end of any anticipated revenue or unexpended line item appropriations, or both.

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

Beginning Balance, July 1, 2015	\$18,929.
Deposits	0.
Withdrawals – Board Resolution	0.
Ending balance, June 30, 2016	\$18,929.

The June 30, 2016 maximum maintenance reserve amount is \$1,339,510.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 5 - FIXED ASSETS

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

	Beginning Balance	Additions	Adjustments	Retirement	Ending Balance
Governmental Activities:					
Capital Assets that are not Being Depreciated:					
Land	\$ 871,740.	\$0.	\$0.	\$0.	\$ 871,740.
Construction in progress	9,770,021.	4,436,890.	(9,811,526.)	0.	4,395,38.
Total Capital Assets not being Depreciated	10,641,761.	4,436,890.	(9,811,526.)	0.	5,267,125.
Bldg. & Bldg. Improvements	6,582,154.	9,811,526.	0.	0.	16,393,680.
Site Improvements	617,126.	0.	0.	0.	617,126.
Machinery & Equipment	3,712,476.	249,073.	0.	0.	3,961,549.
Totals at Historical Cost	10,911,756.	10,060,599.	0.	0.	20,972,355.
Less: Accum. Deprec. for:					
Bldg. & Bldg. Improvements	(4,926,071.)	(290,711.)	0.	0.	(5,216,782.)
Site Improvements	(237,031.)	(28,755.)	0.	0.	(265,786.)
Machinery & Equipment	(3,305,067.)	(137,671.)	0.	0.	(3,442,738.)
Total Accum. Depreciation	(8,468,169.)	(457,137.)	0.	0.	(8,925,306.)
Total Capital Assets being depreciated net of Accum. Depreciation	2,443,587.	9,603,462.	0.	0.	12,047,049.
Government Activities Capital Assets, net	\$13,085,348.	\$14,040,352.	\$(9,811,526.)	\$ 0.	\$17,314,174.
Business-type Activities:					
Equipment	\$136,227.	\$0.	\$0.	\$0.	\$136,227.
Less Accum. Dep for: Equipment	(83,758.)	(9,026.)	0.	0.	(92,784.)
Business-type Activities Capital Assets, net	\$52,469.	\$(9,026.)	\$ 0.	\$ 0.	\$43,443.

***Depreciation Expense was Charged to Governmental Functions as Follows:**

Instruction:	
Regular	\$(4,571.)
Special Education	(16,001.)
Support Services:	
Student & Instruction Related Services	(4,571.)
Plant Operations and Maintenance	(210,283.)
Unallocated Depreciation	(221,710.)
Total Depreciation Expense	<u>\$(457,136.)</u>

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 6 - OPERATING LEASES

The District had commitments to lease various office equipment and band equipment under operating leases.

Total operating lease payments made during the year ended June 30, 2016 were \$53,811. Future minimum lease payments required under operating leases are as follows:

<u>Year</u>	<u>Amount</u>
June 30, 2017	50,161.
June 30, 2018	48,643.
June 30, 2019	31,762.
June 30, 2020	7,230.
TOTAL	<u>\$137,796.</u>

NOTE 7 - GENERAL LONG-TERM DEBT

<u>Type of Debt</u>	<u>Balance at 6/30/15</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance at 6/30/16</u>	<u>Amounts Due Within 1 Year</u>
Compensated Absences Payable	\$606,065.	\$0.	\$(14,142.)	\$591,923.	\$69,273.
Bonds Payable	21,507,000.	0.	(375,000.)	21,132,000.	850,000.
Capital Leases Payable	269,784.	249,073.	(149,332.)	369,525.	150,468.
2009 PERS Deferral	32,445.	0.	(12,053.)	20,392.	12,053.
Accrued Interest	187,443.	0.	(2,730.)	184,713.	184,713.
Total	<u>\$22,602,737.</u>	<u>\$249,073.</u>	<u>\$(553,257.)</u>	<u>\$22,298,553.</u>	<u>\$1,266,507.</u>

A. Bonds Payable:

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

On November 6, 2012 a bond referendum authorizing the issuance of school bonds in the amount of \$9,959,000 was passed by the voters of the District. The proceeds of the bonds are to be used for the completion of the approved capital projects as follows:

- Construction of a new multi-purpose room and renovations of science rooms at the Woodstown High and Woodstown Middle Schools;
- Construction of a new early childhood center.

The bonds are payable over twenty (20) years and have interest rates ranging from 2.50% to 3.50%. See Exhibit I-1 for full detail of the bond repayment schedule.

On November 4, 2014 a bond referendum authorizing the issuance of school bonds in the amount of \$11,907,000 was passed by the voters of the District. The proceeds of the bonds are to be used for the completion of the approved capital projects as follows:

- Construction of a new multi-purpose room and renovations of science rooms at the Woodstown High and Woodstown Middle Schools;
- Construction of a new early childhood center;
- Improvements to Woodstown High/Middle Schools;
- Improvements to Mary S. Shoemaker Elementary School.

The bonds are payable over twenty (20) years and have interest rates ranging from 2.75% to 3.25%. See Exhibit I-1 for full detail of the bond repayment schedule.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 7 - GENERAL LONG-TERM DEBT - (Continued)

A. Bonds Payable: (Continued)

The following is a schedule of the future bond principal and interest payments due as of June 30, 2016.

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$850,000.	\$633,302.	\$1,483,302.
2018	915,000.	610,926.	1,525,926.
2019	945,000.	586,801.	1,531,801.
2020	975,000.	561,889.	1,536,889.
2021	1,005,000.	534,888.	1,539,888.
2022-2026	5,530,000.	2,224,218.	7,754,218.
2026-2031	6,465,000.	1,337,742.	7,802,742.
2031-2035	4,447,000.	322,924.	4,769,924.
TOTAL	\$21,132,000.	\$6,812,690.	\$27,944,690.

B. Bonds Authorized But Not Issued:

As of June 30, 2016, the Board had no authorized but not issued bonds.

C. Capital Leases Payable:

During the year ended June 30, 2016, the District entered into two (2) new capital lease agreements. The terms of the leases are for five (5) years. The interest rates vary. See Exhibit I-2 for more complete detail on the new and also prior existing capital leases.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2016.

<u>Year</u>	<u>Amount</u>
2017	\$159,974.
2018	123,530.
2019	51,861.
2020	52,829.
Total minimum lease payments	388,194.
Less: Amount representing interest	18,669.
Present value of net minimum lease payments	<u>\$369,525.</u>

NOTE 8 - STATE AID ANTICIPATION LOAN

As a result of the delay in the last two state aid revenue receipts, a loan was taken out in the amount of \$650,000 and repaid in July, 2016, with interest expense reimbursed from the state.

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/annrptsachive.htm>.

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016

NOTE 9 – PENSION PLANS – (Continued)
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.

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 6.92% and the PERS rate is 6.92% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2016, 2015 and 2014 are shown below and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2016, 2015 and 2014 are shown below.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 9 – PENSION PLANS – (Continued)

Three-Year Trend Information for PERS

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Of APC Contributed</u>
June 30, 2016	\$317,517.	100%
June 30, 2015	290,824.	100%
June 30, 2014	257,132.	100%

Three-Year Trend Information for TPAF
(Paid on Behalf of the District)

<u>Year Funding</u>	<u>Pension Contribution</u>	<u>Post-Retirement Medical (PRM) Contribution</u>	<u>Total Contribution</u>
June 30, 2016	\$986,942.	\$1,815,801.	\$2,802,743.
June 30, 2015	563,849.	895,110.	1,458,959.
June 30, 2014	440,495.	722,247.	1,162,742.

During the fiscal years ended June 30, 2016, 2015 and 2014, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$790,868; \$803,698; and \$802,628; 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 Police and Firemen’s Retirement System (PFRS) 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 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 ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member’s final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016

NOTE 9 – PENSION PLANS – (Continued)

- 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; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES 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).

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, special retirement under the PFRS, and employer contributions to the retirement systems. Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS 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 will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 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 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 (PERS)

At June 30, 2016, the District reported a liability of \$7,973,848 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 0.0355214264%, which was an increase of 0.69% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$550,910. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 10 – PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) – (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expended and actual experience	\$ 190,228.	
Changes of assumptions	856,328.	
Net difference between projected and actual earnings on pension plan investments		\$ 128,204.
Changes in proportion and difference between District contributions and proportionate share of contributions	190,480.	
District contributions subsequent to the measurement date	649,119.	
 Total	 \$ 1,886,155.	 \$ 128,204.

\$649,119 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	\$ 201,807.
2018	201,807.
2019	201,807.
2020	321,562.
2021	181,849.
Total	\$ 1,108,832.

Actuarial Assumptions

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

Inflation rate	3.04 %
Salary increases:	
2012-2021	2.15 – 4.40% based on age
Thereafter	3.15 – 5.40% based on age
Investment rate of return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-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.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 10 – PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) – (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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%	-.040%
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 7.90%, 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 actuarially contributions. Based on those assumptions, the play's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefits payments through 2033, and the municipal bond rate was applied to projected benefits 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 (5.90%)
District's proportionate share of the net pension liability	\$ 9,910,518.	\$ 7,973,848.	\$ 6,350,159.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 10 – PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) – (Continued)

Pension plan fiduciary net position.

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

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	\$	0.
State's proportionate share of the net position liability associated with the District		65,917,965.
Total	\$	65,917,965.

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 no change from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$4,024,885 and revenue of \$4,024,885 for support provided by the State.

Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State’s portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	06/30/2015	06/30/2014
Collective deferred outflows of resources	\$ 7,522,890,856.	\$ 2,306,623,861.
Collective deferred inflows of resources	623,365,110.	1,763,205,593.
Collective net pension liability (nonemployer-State of New Jersey)	63,204,270,305.	53,446,745,367.
State’s portion of the net pension liability that was associated with the district	65,917,965.	55,651,903.
State’s portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.1042935308%	0.104126%

Actuarial assumptions

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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 11 – TEACHERS’ PENSION AND ANNUITY FUND (TPAF) – (Continued)

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

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

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

Long-Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U,S, Cash	5.00%	0.53%
U.S. Government Bonds	1.75%	1.39%
U.S. Credit Bonds	13.50%	2.72%
U.S. Mortgages	2.10%	2.54%
U.S. Inflation-Indexed Bonds	1.50%	1,47%
U.S. High Yield Bonds	2.00%	4.57%
U.S. Equity Market	27.25%	5.63%
Foreign-Developed Equity	12.00%	6.22%
Emerging Market Equity	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 - MultiStrategy	4.00%	4.59%
Hedge Funds – Equity Hedge	4.00%	5.68%
Hedge Funds - Distressed	4.00%	4.30%

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 11 – TEACHERS’ PENSION AND ANNUITY FUND (TPAF) – (Continued)

Discount rate

The discount rate used to measure the total pension liability was 4.13% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.29% and 4.63% as of June 30, 2014 and 2013, 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 of employers’ contribution. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the State as of June 30, 2015 calculated using the discount rate as disclosed above as well as what the State’s net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

At 1% Decrease (3.13%)	At current discount rate (4.13%)	At 1% Increase (5.13%)
\$ 75,559,915,440	63,577,864,440	53,254,610,440

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

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers’ Pensions and Annuity Fund (TPAF) and the Public Employees’ Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2015, there were 107,314 retirees receiving post-retirement medical benefits, and the State contributed \$1.25 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS, and the Alternate Benefit Program 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.

GASB statement #45 requires certain disclosures relating to governmental entities obligations for other post-employment benefits (OPEB), which are post-employment benefits other than pensions. The District does not provide post-employment benefits other than pension. Healthcare provided to eligible TPAF and PERS board of education retirees through the NJ State Health Benefits Program are paid by the State of New Jersey and as such, no district OPEB liability exists.

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016

NOTE 12 - POST RETIREMENT BENEFITS – (Continued)

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SEHBP. That report may be obtained from the Treasury website at:

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

NOTE 13 - COMPENSATED ABSENCES

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

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

The liability for vested compensated absences of the governmental activities is recorded as long-term debt in the district-wide statements. The current portion of the compensated absences balance is not considered material to the applicable funds total liabilities, and therefore, is not shown separately from the long-term liability balance 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, a liability existed for compensated absences in the Food Service Fund in the amount of \$15,562.

NOTE 14 - DEFERRED COMPENSATION

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

The Equitable	First Investors
Lincoln Investment Planning, Inc.	The Travelers
American Express Financial	Aetna Life Insurance Company
Prudential Insurance Company	Metropolitan Life Insurance Company

NOTE 15 - RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance – The District has elected to fund 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:

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 15 - RISK MANAGEMENT - (Continued)

New Jersey Unemployment Compensation Insurance – (Continued)

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Income</u>	<u>Amount Reimbursed</u>	<u>Transfer to General Fund</u>	<u>Ending Balance</u>
2015-2016	\$0.	\$23,423.	\$675.	\$67,104.	\$0.	\$215,873.
2014-2015	0.	24,614.	874.	14,925.	100,000.	258,879.
2013-2014	0.	24,880.	1,206.	27,316.		348,316.

NOTE 16 - INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$32,784.	\$0.
Enterprise Fund	0.	35,945.
Fiduciary Fund	3,161.	0.
	<u>\$35,945.</u>	<u>\$35,945.</u>

The amounts due between the General Fund and Enterprise Fund results from expenses paid by the General Fund and not yet reimbursed by the Enterprise Fund. During 2014-2015, the Board budgeted and transferred \$100,000 from the Unemployment Fund to the General Fund.

NOTE 17 - CONTINGENT LIABILITIES

The Board is involved in several claims and lawsuits incidental to its operation. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

NOTE 18 - CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2016 is \$0.

NOTE 19 - DEFICIT FUND BALANCES

The District has a deficit fund balances of \$(157,549.) in the General Fund and \$(3,300.) 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 delayed one or more June 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 June state aid payment(s) in the subsequent fiscal year, the school district can not recognize the June state aid payment(s) on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General and Special Revenue Fund balance deficit does not alone indicate the district is facing financial difficulties.

Pursuant to *N.J.S.A. 18A:22-44.2* any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of \$(157,549.) and \$(3,300.) is equal to (or) is less than the last state aid payments.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 19 - FUND BALANCE

NONSPENDABLE

As stated in Note 1, the nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. There are no nonspendable fund balances of the School district as of June 30, 2016.

RESTRICTED

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund:

Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance – excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2016 is \$0; \$0 has been restricted and designated for utilization in the 2016-2017 budget.

Capital Reserve Account: As of June 30, 2016, the balance in the capital reserve account is \$1. These funds are restricted for the future approved capital projects of school facilities.

For Maintenance Reserve Account: As of June 30, 2016, the balance in the maintenance reserve account is \$18,929. These funds are restricted for the required maintenance of school facilities in accordance with Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c.73 (S1701).

COMMITTED

As stated in Note 1, the committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Other Purposes: As of June 30, 2016, the School District had \$46,490 of encumbrances outstanding for purchase orders and contracts signed by the School District but not completed as of the close of the fiscal year.

ASSIGNED

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

For Subsequent Year's Expenditures: The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2017, \$200,000 of general fund balance at June 30, 2016.

UNASSIGNED

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

General Fund:

As of June 30, 2016, the unassigned fund balance of the general fund was \$(422,969).

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 19 - FUND BALANCE – (Continued)

Capital Projects:

As of June 30, 2016; the unassigned fund balance in the capital project fund was \$9,326,987.

Debt Service Fund:

As of June 30, 2016; the unassigned fund balance in the debt service fund was \$0.

NOTE 20 - SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2016 through November 18, 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.

REQUIRED SUPPLEMENTARY INFORMATION–PART II

BUDGETARY COMPARISON SCHEDULES

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:					
Local Sources:					
Local Tax Levy	\$ 10,146,692.	\$ 0.	\$ 10,146,692.	\$ 10,146,692.	\$ 0.
Tuition	4,342,736.	0.	4,342,736.	4,417,405.	74,669.
Interest Earned	0.	0.	0.	15,428.	15,428.
Miscellaneous	455,607.	0.	455,607.	453,167.	(2,440.)
Total - Local Sources	14,945,035.	0.	14,945,035.	15,032,692.	87,657.
State sources:					
Equalization aid	5,498,561.	0.	5,498,561.	5,498,561.	0.
Categorical transportation aid	358,906.	0.	358,906.	358,906.	0.
Special education aid	680,616.	0.	680,616.	680,616.	0.
Security aid	138,116.	0.	138,116.	138,116.	0.
Adjustment aid	261,105.	0.	261,105.	261,105.	0.
Under adequacy aid	13,257.	0.	13,257.	13,257.	0.
PARCC Readiness aid	11,620.	0.	11,620.	11,620.	0.
Per Pupil Growth aid	11,620.	0.	11,620.	11,620.	0.
On-Behalf TPAF pension contribution (non-budgeted)	0.	0.	0.	1,815,801.	1,815,801.
Reimbursed TPAF social security contribution (non-budgeted)	0.	0.	0.	790,868.	790,868.
Extraordinary aid	190,000.	0.	190,000.	124,417.	(65,583.)
Additional non-public transportation aid	0.	0.	0.	12,770.	12,770.
Total State Sources	7,163,801.	0.	7,163,801.	9,717,657.	2,553,856.
Federal Sources:					
Medical Assistance Program	17,744.	0.	17,744.	31,540.	13,796.
Total federal sources	17,744.	0.	17,744.	31,540.	13,796.
Total Revenues	22,126,580.	0.	22,126,580.	24,781,889.	2,655,309.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Expenditures:					
Current expense:					
Regular programs - instruction:					
Preschool - Salaries of teachers	\$ 106,837.	\$ (32,122.)	\$ 74,715.	\$ 62,083.	\$ 12,632.
Kindergarten - Salaries of teachers	460,672.	36,543.	497,215.	497,214.	1.
Grades 1 - 5 - Salaries of teachers	1,821,243.	(46,413.)	1,774,830.	1,753,607.	21,223.
Grades 6 - 8 - Salaries of teachers	927,995.	205,556.	1,133,551.	1,124,612.	8,939.
Grades 9 - 12 - Salaries of teachers	3,154,801.	(98,540.)	3,056,261.	3,053,027.	3,234.
Home instruction:					
Salaries of teachers	19,000.	(13,393.)	5,607.	5,607.	0.
Purchased professional - educational services	3,000.	21,214.	24,214.	21,094.	3,120.
Other purchased services	525.	(293.)	232.	15.	217.
Other programs - undistributed instruction:					
Other salaries for instruction	22,656.	14,606.	37,262.	37,262.	0.
Purchased professional - educational services	6,100.	(2,550.)	3,550.	3,535.	15.
Purchased technical services	29,500.	(12,193.)	17,307.	17,307.	0.
Other purchased services	175,500.	(28,244.)	147,256.	139,553.	7,703.
General supplies	288,427.	(18,357.)	270,070.	231,970.	38,100.
Text books	64,766.	20,974.	85,740.	75,592.	10,148.
Other objects	6,947.	10,530.	17,477.	12,472.	5,005.
Total regular programs - instruction	7,087,969.	57,318.	7,145,287.	7,034,950.	110,337.
Special education - instruction:					
Behavioral disabilities:					
Salaries of teachers	50,054.	750.	50,804.	50,804.	0.
Other salaries for instruction	58,437.	53,461.	111,898.	111,898.	0.
Total behavioral disabilities	108,491.	54,211.	162,702.	162,702.	0.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Multiple disabilities:					
Salaries of teachers	\$ 176,040.	\$ 9,968.	\$ 186,008.	\$ 186,008.	\$ 0.
Other salaries for instruction	26,339.	(15,594.)	10,745.	8,111.	2,634.
General supplies	4,850.	(3,492.)	1,358.	1,266.	92.
Textbooks	900.	(400.)	500.	0.	500.
Other objects	400.	(353.)	47.	0.	47.
Total multiple disabilities	208,529.	(9,871.)	198,658.	195,385.	3,273.
Resource room/resource center:					
Salaries of teachers	1,497,221.	28,365.	1,525,586.	1,525,586.	0.
Other salaries for instruction	103,140.	(26,809.)	76,331.	72,330.	4,001.
General supplies	6,800.	(1,596.)	5,204.	5,154.	50.
Textbooks	1,500.	(793.)	707.	707.	0.
Total resource room/resource center	1,608,661.	(833.)	1,607,828.	1,603,777.	4,051.
Preschool disabilities - part time:					
Salaries of teachers	37,734.	2,333.	40,067.	39,200.	867.
Other salaries for instruction	0.	33,050.	33,050.	33,050.	0.
General supplies	1,800.	(396.)	1,404.	1,404.	0.
Total preschool disabilities - part time	39,534.	34,987.	74,521.	73,654.	867.
Home instruction:					
Salaries of teachers	0.	0.	0.	0.	0.
Purchased professional-educational services	3,850.	6,532.	10,382.	10,382.	0.
Total home instruction	3,850.	6,532.	10,382.	10,382.	0.
Total special education -instruction	1,969,065.	85,026.	2,054,091.	2,045,900.	8,191.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Basic skills/remedial - instruction:					
Salaries of teachers	\$ 333,755.	\$ 6,416.	\$ 340,171.	\$ 340,171.	\$ 0.
General Supplies	10,103.	(9,701.)	402.	402.	0.
Total basic skills/remedial - instruction	343,858.	(3,285.)	340,573.	340,573.	0.
Bilingual education - instruction:					
Salaries of teachers	4,000.	3,272.	7,272.	7,272.	0.
General Supplies	250.	0.	250.	225.	25.
Total bilingual education - instruction	4,250.	3,272.	7,522.	7,497.	25.
School sponsored co-curricular act. - instruction:					
Salaries	76,000.	215.	76,215.	76,215.	0.
Purchased services	3,500.	(395.)	3,105.	2,817.	288.
Supplies and materials	750.	0.	750.	750.	0.
Total school sponsored co-curricular act. - instruction	80,250.	(180.)	80,070.	79,782.	288.
School sponsored - athletics - instruction:					
Salaries	310,059.	0.	310,059.	309,350.	709.
Purchased services	72,800.	1,110.	73,910.	73,910.	0.
Supplies and materials	40,000.	0.	40,000.	37,146.	2,854.
Other objects	8,650.	(1,110.)	7,540.	7,520.	20.
Total school sponsored athletics - instruction	431,509.	0.	431,509.	427,926.	3,583.
Total instruction	9,916,901.	142,151.	10,059,052.	9,936,628.	122,424.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Undistributed expenditures:					
Instruction:					
Tuition - Other LEA's within the State - Special	\$ 12,204.	\$ (12,204.)	\$ 0.	\$ 0.	\$ 0.
Tuition - County Voc. School Districts - regular	95,000.	53,824.	148,824.	146,674.	2,150.
Tuition - Co. Spec. service/reg. day schools	454,986.	(36,684.)	418,302.	406,633.	11,669.
Tuition - private school hand. within state	95,081.	(13,932.)	81,149.	80,432.	717.
Tuition - Other	0.	26,800.	26,800.	26,800.	0.
Total instruction	657,271.	17,804.	675,075.	660,539.	14,536.
Attendance and social work:					
Purchased professional and technical services	600.	0.	600.	0.	600.
Total attendance and social work	600.	0.	600.	0.	600.
Health services:					
Salaries	265,402.	(1,383.)	264,019.	263,140.	879.
Purchased professional and technical services	21,000.	24.	21,024.	21,024.	0.
Other purchased services	400.	196.	596.	196.	400.
Supplies and materials	3,725.	720.	4,445.	2,693.	1,752.
Other objects	100.	0.	100.	0.	100.
Total health services	290,627.	(443.)	290,184.	287,053.	3,131.
Speech, OT, PT & related services:					
Salaries	103,722.	(29,176.)	74,546.	74,546.	0.
Purchased professional services	122,062.	29,555.	151,617.	150,117.	1,500.
Supplies and materials	4,000.	(3,177.)	823.	823.	0.
Total speech, OT, PT & related services	229,784.	(2,798.)	226,986.	225,486.	1,500.
Special education - extraordinary services:					
Salaries	277,029.	(63,615.)	213,414.	213,414.	0.
Purchased professional services	2,000.	(1,950.)	50.	0.	50.
Total special education - extraordinary services	279,029.	(65,565.)	213,464.	213,414.	50.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Guidance:					
Salaries of other professional staff	\$ 401,970.	\$ 10,230.	\$ 412,200.	\$ 412,200.	\$ 0.
Salaries of secretarial assistants	37,544.	0.	37,544.	37,544.	0.
Other purchased professional and technical services	12,640.	15,855.	28,495.	26,630.	1,865.
Other purchased services	600.	0.	600.	365.	235.
Supplies and materials	17,114.	2,460.	19,574.	15,094.	4,480.
Other objects	450.	0.	450.	205.	245.
Total guidance	470,318.	28,545.	498,863.	492,038.	6,825.
Child Study Teams:					
Salaries of other professional staff	260,251.	(24,198.)	236,053.	236,053.	0.
Salaries of secretarial assistants	45,544.	0.	45,544.	45,544.	0.
Purchased professional services	1,000.	0.	1,000.	0.	1,000.
Other purchased professional and technical services	14,000.	9,242.	23,242.	23,243.	(1.)
Miscellaneous purchased services	1,200.	11.	1,211.	1,211.	0.
Supplies and materials	9,200.	(19.)	9,181.	9,181.	0.
Other objects	3,800.	794.	4,594.	2,429.	2,165.
Total Child Study Teams	334,995.	(14,170.)	320,825.	317,661.	3,164.
Improvement of instruction services - instructional staff:					
Salaries of supervisors of instruction	135,738.	(20,209.)	115,529.	115,529.	0.
Salaries of secretarial assistants	99,904.	0.	99,904.	99,904.	0.
Supplies and materials	1,500.	0.	1,500.	1,057.	443.
Total improvement of instruction services	237,142.	(20,209.)	216,933.	216,490.	443.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Educational media services - school library:					
Salaries	\$ 187,422.	\$ 6,153.	\$ 193,575.	\$ 193,464.	\$ 111.
Salaries of tech coordinators	87,552.	29,185.	116,737.	116,737.	0.
Purchased professional and technical services	12,562.	(1,861.)	10,701.	10,436.	265.
Supplies and materials	4,300.	(711.)	3,589.	3,565.	24.
Other objects	405.	(405.)	0.	0.	0.
Total educational media services - school library	292,241	32,361	324,602	324,202	400
Instructional staff training services:					
Salaries of other professional staff	48,320.	8,777.	57,097.	57,097.	0.
Purchased professional services	12,000.	4,440.	16,440.	16,190.	250.
Other purchased services	1,500.	2,034.	3,534.	3,534.	0.
Supplies and materials	2,500.	(1,880.)	620.	513.	107.
Total instructional staff training services	64,320.	13,371.	77,691.	77,334.	357.
Support services - general administration:					
Salaries	227,797.	758.	228,555.	228,555.	0.
Legal services	17,000.	25,114.	42,114.	42,114.	0.
Audit fees	27,000.	0.	27,000.	23,750.	3,250.
Architectural/engineering service	10,000.	(7,777.)	2,223.	0.	2,223.
Other purchased professional services	26,100.	(8,324.)	17,776.	6,172.	11,604.
Communications/telephone	118,100.	20,557.	138,657.	137,817.	840.
BOE other purchased services	5,000.	(1,083.)	3,917.	1,294.	2,623.
Other purchased services	17,000.	(24.)	16,976.	16,625.	351.
General supplies	11,000.	(2,219.)	8,781.	8,781.	0.
Miscellaneous expenditures	5,000.	6,384.	11,384.	11,384.	0.
BOE membership dues and fees	12,000.	(550.)	11,450.	10,711.	739.
Total support services - general administration	475,997.	32,836.	508,833.	487,203.	21,630.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Support services - school administration:					
Salaries of principals/asst.	\$ 463,502.	\$ 12,827.	\$ 476,329.	\$ 476,328.	\$ 1.
Salaries of other professional staff	314,295.	964.	315,259.	315,259.	0.
Salaries of secretarial assistants	382,795.	1,738.	384,533.	381,377.	3,156.
Purchased professional and technical services	64,800.	8,700.	73,500.	49,501.	23,999.
Other purchased services	28,771.	(809.)	27,962.	25,982.	1,980.
Supplies and materials	16,200.	0.	16,200.	10,835.	5,365.
Other objects	26,335.	7,019.	33,354.	25,782.	7,572.
Total support services - school administration	1,296,698.	30,439.	1,327,137.	1,285,064.	42,073.
Undistributed expenditures - central services:					
Salaries	333,893.	6,292.	340,185.	340,175.	10.
Purchased professional services	0.	8,600.	8,600.	8,600.	0.
Miscellaneous purchased services	100,800.	9,880.	110,680.	110,680.	0.
Supplies and materials	5,000.	(13.)	4,987.	3,062.	1,925.
Miscellaneous expenses	2,200.	(750.)	1,450.	1,265.	185.
Total undistributed expenditures - central services	441,893.	24,009.	465,902.	463,782.	2,120.
Undistributed Expenditures - Admin. Info. Tech:					
Salaries	57,041.	2,320.	59,361.	59,361.	0.
Total undistributed expenditures - Admin. Info. Tech	57,041.	2,320.	59,361.	59,361.	0.
Required maintenance for school facilities:					
Salaries	50,340.	161.	50,501.	50,501.	0.
Cleaning, repair, maintenance service	80,400.	(50,748.)	29,652.	29,652.	0.
General supplies	44,900.	21,767.	66,667.	66,667.	0.
Total required maintenance for school facilities	175,640.	(28,820.)	146,820.	146,820.	0.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Other operation and maintenance of plant services:					
Salaries	\$ 769,178.	\$ 53,935.	\$ 823,113.	\$ 823,113.	\$ 0.
Purchased professional and technical services	15,000.	(12,415.)	2,585.	2,585.	0.
Cleaning, repair, maintenance service	37,000.	(12,015.)	24,985.	24,985.	0.
Other than lease purchase agreements	10,000.	1,463.	11,463.	11,463.	0.
Other purchased property	41,900.	14,003.	55,903.	55,561.	342.
Insurance	149,000.	5,362.	154,362.	154,362.	0.
Miscellaneous purchased services	400.	0.	400.	4.	396.
General supplies	121,050.	34,534.	155,584.	155,584.	0.
Energy (natural gas)	120,000.	(58,087.)	61,913.	61,631.	282.
Energy (electricity)	300,800.	(49,736.)	251,064.	244,902.	6,162.
Energy (oil)	4,800.	(1,224.)	3,576.	3,095.	481.
Other objects	500.	0.	500.	332.	168.
Total other operation and maintenance of plant services	1,569,628.	(24,180.)	1,545,448.	1,537,617.	7,831.
Care and upkeep of grounds:					
Salaries	89,800.	1,321.	91,121.	91,121.	0.
Cleaning, repair and maintenance services	7,000.	(6,725.)	275.	0.	275.
General Supplies	13,000.	(10,700.)	2,300.	2,300.	0.
Total care and upkeep of grounds	109,800.	(16,104.)	93,696.	93,421.	275.
Security:					
Salaries	0.	0.	0.	0.	0.
Purchased professional and technical services	138,600.	38,791.	177,391.	177,391.	0.
General supplies	11,400.	10,278.	21,678.	936.	20,742.
Total security	150,000.	49,069.	199,069.	178,327.	20,742.
Total operation and maintenance of plant services	2,005,068.	(20,035.)	1,985,033.	1,956,185.	28,848.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Students transportation services:					
Salaries - between home and school - regular	\$ 37,580.	\$ 0.	\$ 37,580.	\$ 37,269.	\$ 311.
Contracted services spec. - aid in lieu payments - nonpublic	40,701.	(3,883.)	36,818.	35,777.	1,041.
Contracted services spec. - aid in lieu payments - choice	0.	8,840.	8,840.	8,840.	0.
Contracted services home	404,512.	(34,191.)	370,321.	370,321.	0.
Contracted services other	132,075.	(13,991.)	118,084.	110,919.	7,165.
Contracted services between home & school	34,582.	(5,495.)	29,087.	25,980.	3,107.
Contracted transportation special education	19,962.	4,242.	24,204.	23,822.	382.
Trans jointure special education	11,730.	5,305.	17,035.	17,035.	0.
Contracted services regular students - ESCs	59,066.	(5,062.)	54,004.	29,608.	24,396.
Contracted services special ed. students ESCs & CTSA's	316,617.	(4,242.)	312,375.	294,958.	17,417.
Total student transportation services	1,056,825.	(48,477.)	1,008,348.	954,529.	53,819.
Unallocated Benefits:					
Social security contributions	300,000.	12,993.	312,993.	291,389.	21,604.
Other retirement contributions - regular	290,000.	38,567.	328,567.	328,567.	0.
Other retirement contrib. - deferred PERS payment	12,000.	(12,000.)	0.	0.	0.
Unemployment compensation	10,000.	164,571.	174,571.	174,571.	0.
Workmen's compensation	195,000.	3,233,595.	3,428,595.	3,405,246.	23,349.
Health benefits	3,636,536.	(3,603,603.)	32,933.	30,433.	2,500.
Tuition reimbursement	40,000.	1,659.	41,659.	41,659.	0.
Other employee benefits	30,000.	(30,000.)	0.	0.	0.
Total unallocated benefits	4,513,536.	(194,218.)	4,319,318.	4,271,865.	47,453.
On behalf TPAF pension contribution (non-budgeted)	0.	0.	0.	1,815,801.	(1,815,801.)
Reimbursed TPAF soc. sec. contributions (non-budgeted)	0.	0.	0.	790,868.	(790,868.)
Total undistributed expenditures	12,703,385.	(184,230.)	12,519,155.	14,898,875.	(2,379,720.)
Total expenditures - current expense	22,620,286.	(42,079.)	22,578,207.	24,835,503.	(2,257,296.)

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
CAPITAL OUTLAY:					
Undistributed Expenditures:					
Facilities acquisition and construction services	\$ 6,294.	\$ 0.	\$ 6,294.	\$ 6,294.	\$ 0.
Assessment for debt service on SDA funding	6,294.	0.	6,294.	6,294.	0.
Total facilities acquisition and construction services	<u>12,588.</u>	<u>0.</u>	<u>12,588.</u>	<u>12,588.</u>	<u>0.</u>
Assets acquired under capital lease (non - budgeted)					
Equipment	0.	0.	0.	249,073.	(249,073.)
Total assets acquired under capital lease	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>249,073.</u>	<u>(249,073.)</u>
Total capital outlay expenditures	<u>6,294</u>	<u>0</u>	<u>6,294</u>	<u>255,367</u>	<u>(249,073)</u>
General Fund Grand Total	<u>22,626,580.</u>	<u>(42,079.)</u>	<u>22,584,501.</u>	<u>25,090,870.</u>	<u>(2,506,369.)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(500,000.)</u>	<u>42,079.</u>	<u>(457,921.)</u>	<u>(308,981.)</u>	<u>148,940.</u>
Other financing sources:					
Operating transfer out:					
Transfer to/from Enterprise Fund		(70,202.)	(70,202.)	(70,202.)	0.
Capital Leases (non-budgeted)		0.		249,073.	249,073.
Total other financing sources (uses)	<u>0.</u>	<u>(70,202.)</u>	<u>(70,202.)</u>	<u>178,871.</u>	<u>249,073.</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	<u>(500,000.)</u>	<u>(28,123.)</u>	<u>(528,123.)</u>	<u>(130,110.)</u>	<u>398,013.</u>

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Fund Balance, July 1	\$ 649,679.	\$ 0.	\$ 649,679.	\$ 649,679.	\$ 0.
Fund Balance, June 30	\$ 149,679.	\$ (28,123.)	\$ 121,556.	\$ 519,569.	\$ 398,013.
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 1.	
Maintenance Reserve				18,929.	
Committed Fund Balance:					
Year-End Encumbrances				46,490.	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				200,000.	
Unassigned Fund Balance				254,149.	
				<u>519,569.</u>	
Reconciliation to Governmental Funds Statements (GAAP)					
Less State Aid Payments Not Recognized on GAAP Basis				(677,118.)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ (157,549.)</u>	

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:					
Local sources	\$ 9,033.	\$ 0.	\$ 9,033.	\$ 2,693.	\$ (6,340.)
State sources	33,000.	0.	33,000.	33,000.	0.
Federal sources	604,991.	0.	604,991.	587,557.	(17,434.)
Total revenues	647,024.	0.	647,024.	623,250.	(23,774.)
EXPENDITURES:					
Instruction:					
Salaries of teachers	217,865.	0.	217,865.	205,129.	12,736.
Purchased professional and educational services	3,301.	0.	3,301.	3,301.	0.
Other purchased services	330,038.	0.	330,038.	330,038.	0.
General supplies	33,349.	0.	33,349.	26,094.	7,255.
Other objects	700.	0.	700.	540.	160.
Total Instruction	585,253.	0.	585,253.	565,102.	20,151.
Support Services:					
Other salaries	22,076.	0.	22,076.	20,562.	1,514.
Personal services - employee benefits	26,779.	0.	26,779.	24,900.	1,879.
Purchased professional and educational services	2,741.	0.	2,741.	2,741.	0.
Other purchased services	8,375.	0.	8,375.	8,024.	351.
Supplies and materials	1,800.	0.	1,800.	1,921.	(121.)
Total support services	61,771.	0.	61,771.	58,148.	3,623.
Facilities Acquisition and Construction Services:					
Instructional Equipment	0.	0.	0.	0.	0.
Total facilities acquisition and construction services	0.	0.	0.	0.	0.
Total expenditures	647,024.	0.	647,024.	623,250.	23,774.
Total outflows	647,024.	0.	647,024.	623,250.	23,774.
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ 0.	\$ 0.	\$ 0.	\$ 0.	\$ 0.

**NOTES TO REQUIRED SUPPLEMENTARY
INFORMATION – Part II**

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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

	General Fund	Special Revenue Fund	Capital Projects Fund
Sources/inflows of resources:			
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 24,781,889.	\$ 623,250.	\$ 0.
Differences - Budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Prior Year Encumbrance		24,106.	
Current Year Encumbrance		(14,950.)	
State aid payment recognized for GAAP statement in the current year, previously recognized for budgetary purposes.	668,135.	3,300.	1,700,792.
State aid payment recognized for budgetary purposes not recognized for GAAP statements until the subsequent year.	(677,118.)	(3,300.)	0.
	<u>\$ 24,772,906.</u>	<u>\$ 632,406.</u>	<u>\$ 1,700,792.</u>
Uses/Outflow of resources:			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	\$ 25,161,072.	\$ 623,250.	\$ 4,436,890.
Differences - 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.			
Prior Year Encumbrance Paid		24,106.	
Current Year Encumbrance		(14,950.)	
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.			
Net transfers (outflows) to general fund	(70,202.)		
	<u>\$ 25,090,870.</u>	<u>\$ 632,406.</u>	<u>\$ 4,436,890.</u>
Total Expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 25,090,870.</u>	<u>\$ 632,406.</u>	<u>\$ 4,436,890.</u>

**REQUIRED SUPPLEMENTARY
INFORMATION—PART III**

**SCHEDULES RELATED TO ACCOUNTING AND
REPORTING FOR PENSIONS (GASB 68)**

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
SCHEDULES OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PERS
Last Three Fiscal Years

	Measurement Date Ending June 30,		
	2015	2014	2013
District's proportion of the net pension liability (asset)	0.03552143%	0.03527767%	0.03412594%
District's proportionate share of the net pension liability (asset)	\$ 7,973,848.	\$ 6,604,944.	\$ 6,522,145.
District's covered-employee payroll	\$ 2,289,240.	\$ 2,416,804.	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	348.32%	273.29%	N/A
Plan fiduciary net position as a percentage of the total pension liability	47.93%	52.08%	48.72%

SOURCE: GASB 68 report on Public Employee's Retirement System; District Records

NOTE: This schedule is required by GASB 68 to be show information for a 10 year period.
 Additional years will be presented as information becomes available.

WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
Last Three Fiscal Years

PERS

	Fiscal Year Ending June 30,		
	2016	2015	2014
Contractually required contribution	\$ 317,517.	\$ 290,824.	\$ 257,132.
Contributions in relation to the contractually required contribution	(317,517.)	(290,824.)	(257,132.)
Contribution deficiency (excess)	0.	0.	0.
District's covered-employee payroll	\$2,289,240	\$ 2,416,804.	N/A
Contributions as a percentage of covered-employee payroll	13.87%	12.03%	N/A

TPAF

	Fiscal Year Ending June 30,		
	2016	2015	2014
Contractually required contribution	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A
District's covered-employee payroll	\$10,655,366	\$ 10,735,863.	N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A

SOURCE: GASB 68 report on Public Employee's Retirement System/Teachers' Pension and Annuity Fund; District Records

NOTE: This schedule is required by GASB 68 to be show information for a 10 year period. Additional years will be presented as information becomes available.

UPPER DEERFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TPAF
Last Three Fiscal Years

	Measurement Date Ending June 30,		
	2015	2014	2013
District's proportion of the net pension liability (asset)	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset)	N/A	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$ 65,917,965.	\$ 55,651,903.	\$ 51,891,559.
Total	\$ 65,917,965.	\$ 55,651,903.	\$ 51,891,559.
District's covered-employee payroll	\$ 10,655,366.	\$ 10,735,863.	N/A
District 's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	28.71%	33.64%	33.76%

SOURCE: GASB 68 report on Teachers' Pension and Annuity Fund; District Records

NOTE: This schedule is required by GASB 68 to be show information for a 10 year period.
Additional years will be presented as information becomes available.

**NOTES TO REQUIRED SUPPLEMENTARY
INFORMATION – Part III**

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PENSION SCHEDULES
JUNE 30, 2016

Note 1. Teachers' Pension and Annuity Fund (TPAF)

Changes of benefits terms. The vesting and benefits provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death, and disability benefits. All benefits vest after years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vented 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 member's accounts.

Changes of assumptions. Mortality rates were based on the RP-2000 Health Annuitant Mortality for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active member are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvement 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.

Note 2. Public Employees' Retirement System (PERS)

Changes of benefits terms. The vesting and benefits provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

Changes of assumptions. Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 Based on Projection Scale AA.

Note 3. Schedule of School District's Proportionate Share of the Net Pension Liability – PERS/TPAF and Schedule of Employer's Contribution for PERS/TPAF

The information presented in these required supplementary schedules was determined as part of the audit of the State of New Jersey Division of Pension and Benefits. Additional information for the pension schedules can be found in the notes to the financial statements.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL BASED BUDGET SCHEDULES

N/A

SPECIAL REVENUE FUND

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDEDE JUNE 30, 2016

	Title I, Part A		Title II, Part A		Title III, Part A		I.D.E.A. Part B	
	Current Year		Current Year		Current Year		Basic Current Year	Pre-School Current Year
Revenues:								
Local sources	\$ 0.	\$ 0.	\$ 0.	\$ 0.	\$ 0.	\$ 0.	\$ 0.	\$ 0.
State sources	0.	0.	0.	0.	0.	0.	0.	0.
Federal sources	208,904.	33,631.	33,631.	3,301.	3,301.	330,038.	4,470.	4,470.
Total revenues	\$ 208,904.	\$ 33,631.	\$ 33,631.	\$ 3,301.	\$ 3,301.	\$ 330,038.	\$ 4,470.	\$ 4,470.
Expenditures:								
Instruction:								
Salaries of teachers	\$ 142,620.	\$ 26,500.	\$ 26,500.	\$ 0.	\$ 0.	\$ 0.	\$ 2,787.	\$ 0.
Other purchased professional services	0.	0.	0.	3,301.	3,301.	0.	0.	0.
Other purchased services	0.	0.	0.	0.	0.	330,038.	0.	0.
General supplies	17,410.	0.	0.	0.	0.	0.	0.	0.
Other objects	540.	0.	0.	0.	0.	0.	0.	0.
Total instruction	160,570.	26,500.	26,500.	3,301.	3,301.	330,038.	2,787.	0.
Support services:								
Other salaries	20,562.	0.	0.	0.	0.	0.	0.	0.
Personal services - employee benefits	17,827.	6,890.	6,890.	0.	0.	0.	183.	183.
Other purchased professional services	0.	241.	241.	0.	0.	0.	1,500.	1,500.
Other purchased services	8,024.	0.	0.	0.	0.	0.	0.	0.
Supplies and materials	1,921.	0.	0.	0.	0.	0.	0.	0.
Total support services	48,334.	7,131.	7,131.	0.	0.	0.	1,683.	1,683.
Facilities acquisition and const. serv.:								
Instructional Equipment	0.	0.	0.	0.	0.	0.	0.	0.
Total facilities acquisition and const. serv.	0.	0.	0.	0.	0.	0.	0.	0.
Total expenditures	\$ 208,904.	\$ 33,631.	\$ 33,631.	\$ 3,301.	\$ 3,301.	\$ 330,038.	\$ 4,470.	\$ 4,470.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDEDE JUNE 30, 2016

	Perkins Vocational	Pre-School Education Program	Private Grants	Totals 2016
Revenues:				
Local sources	\$ 0.	\$ 0.	\$ 2,693.	\$ 2,693.
State sources	0.	33,000.	0.	33,000.
Federal sources	7,213.	0.	0.	587,557.
Total revenues	\$ 7,213.	\$ 33,000.	\$ 2,693.	\$ 623,250.
Expenditures:				
Instruction:				
Salaries of teachers	\$ 0.	\$ 33,000.	\$ 222.	\$ 205,129.
Other purchased professional services	0.	0.	0.	3,301.
Other purchased services	0.	0.	0.	330,038.
General supplies	6,213.	0.	2,471.	26,094.
Other objects	0.	0.	0.	540.
Total instruction	6,213.	33,000.	2,693.	565,102.
Support services:				
Other salaries	0.	0.	0.	20,562.
Personal services - employee benefits	0.	0.	0.	24,900.
Other purchased professional services	1,000.	0.	0.	2,741.
Other purchased services	0.	0.	0.	8,024.
Supplies and materials	0.	0.	0.	1,921.
Total support services	1,000.	0.	0.	58,148.
Facilities acquisition and const. serv.:				
Instructional Equipment	0.	0.	0.	0.
Total facilities acquisition and const. serv.	0.	0.	0.	0.
Total expenditures	\$ 7,213.	\$ 33,000.	\$ 2,693.	\$ 623,250.

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRE-SCHOOL EDUCATION PROGRAM
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Total		
	Budgeted	Actual	Variance
Expenditures:			
Instruction:			
Salaries of teachers	\$ 33,000.	\$ 33,000.	\$ 0.
Total instruction	33,000.	33,000.	0.
Total expenditures	\$ 33,000.	\$ 33,000.	\$ 0.

Calculation of Budget and Carryover

Total revised 2015-2016 Pre-School Education Aid Allocation	\$ 33,000.
Add: Actual Pre-School Education Aid carryover (June 30, 2015)	0.
Add: Budgeted Transfer from the General Fund 2015-2016	0.
Total Pre-School Education Aid Funds Available for 2015-2016 Budget	33,000.
Less: 2015-2016 Budgeted Pre-School Education Aid Including Prior Year Budget Carryover Available and Unbudgeted Pre-School Education Aid Funds as of June 30, 2016	33,000.
	0.
Add: June 30, 2016 Unexpended Pre-School Education Aid	0.
2015-2016 Carryover - Pre-School Education Aid/Pre-School	\$ 0.
2015-2016 Pre-School Education Aid Carryover Budgeted for Pre-School Programs 2016-2017	\$ 0.

CAPITAL PROJECTS FUND

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
YEAR ENDED JUNE 30, 2016

Description	Revised Appropriations	Prior Year	Current Year	Adjustment	Unexpended Balance June 30, 2016
5910-050-12-1000					
Woodstown High School/Middle School New Multi-Purpose Room and Renovate Science Rooms	\$ 6,177,558.	\$ 5,701,999.	\$ 5,522.	\$ 0.	\$ 470,037.
5910-N03-12-1000					
Woodstown New Early Childhood Center	3,781,100.	3,979,664.	179,386.	0.	(377,950.)
5910-N03-14-1001					
Woodstown High School - HVAC, Vertical Movement, Electrical, Plumbing	17,876,998.	145,988.	3,262,864.	0.	14,468,146.
5910-N03-14-1001					
Mary S Shoemaker Elementary School - HVAC, Vertical Movement, Electrical, Plumbing	1,968,750.	56,277.	989,118.	0.	923,355.
Total	\$ 29,804,406.	\$ 9,883,928.	\$ 4,436,890.	\$ 0.	\$ 15,483,588.

WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016

Revenues and other financing sources:	
State sources - SCC Grant	\$ 0.
Bond proceeds	0.
Transfer from capital outlay	0.
 Total revenues	 <u>0.</u>
 Expenditures and Other Financing Uses:	
Purchased professional and technical services	970,970.
Construction services	3,413,414.
Other	52,506.
 Total expenditures	 <u>4,436,890.</u>
 Excess (deficiency) or revenues over (under) expenditures	 (4,436,890.)
 Other financing sources (uses):	
 Total other financing sources (uses)	 <u></u>
 Fund balance - beginning	 <u>19,920,478.</u>
 Fund balance - ending	 <u><u>\$ 15,483,588.</u></u>

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WOODSTOWN HIGH SCHOOL/MIDDLE SCHOOL NEW MULTI-PURPOSE ROOM & RENOVATE SCIENCE ROOMS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
Bond proceeds	\$ 6,176,900.	\$ 0.	\$ 6,176,900.	\$ 5,976,900.
Transfer from capital outlay	658.	0.	658.	658.
Total revenues	6,177,558.	0.	6,177,558.	5,977,558.
Expenditures and Other Financing Uses:				
Purchased professional and technical services	568,258.	0.	568,258.	1,091,058.
Construction services	5,121,708.	0.	5,121,708.	4,886,500.
Other	12,033.	5,522.	17,555.	0.
Total expenditures	5,701,999.	5,522.	5,707,521.	5,977,558.
Excess (deficiency) or revenues over (under) expenditures	\$ 475,559.	\$ (5,522.)	\$ 470,037.	\$ 0.
Additional project information:				
Project Number	5910-050-12-1000			
Grant Date	N/A			
Bond Authorization Date	11/6/2012			
Bonds Authorized	\$ 6,176,900.			
Bonds Issued	\$ 6,176,900.			
Original Authorized Cost	\$ 6,177,558.			
Additional Authorized Cost	\$ (200,000.)			
Revised Authorized Cost	\$ 5,977,558.			
Percentage Increase Over Original Authorized Cost	0.00%			
Percentage Completion	95.48%			

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WOODSTOWN NEW EARLY CHILDHOOD CENTER
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
Bond proceeds	\$ 3,781,100.	\$ 0.	\$ 3,781,100.	\$ 3,981,100.
Transfer from capital outlay	0.	0.	0.	0.
Total revenues	3,781,100.	0.	3,781,100.	3,981,100.
Expenditures and Other Financing Uses:				
Purchased professional and technical services	630,946.	0.	630,946.	619,350.
Construction services	3,300,130.	174,060.	3,474,190.	3,296,750.
Other	48,588.	5,326.	53,914.	65,000.
Total expenditures	3,979,664.	179,386.	4,159,050.	3,981,100.
Excess (deficiency) or revenues over (under) expenditures	\$ (198,564.)	\$ (179,386.)	\$ (377,950.)	\$ 0.
Additional project information:				
Project Number	5910-N03-12-1000			
Grant Date	N/A			
Bond Authorization Date	11/6/2012			
Bonds Authorized	\$ 3,781,100.			
Bonds Issued	\$ 3,781,100.			
Original Authorized Cost	\$ 3,781,100.			
Additional Authorized Cost	\$ 200,000.			
Revised Authorized Cost	\$ 3,981,100.			
Percentage Increase Over Original Authorized Cost	0.00%			
Percentage Completion	104.47%			

WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WOODSTOWN HIGH SCHOOL - HVAC, VERTICAL MOVEMENT, ELECTRICAL, PLUMBING
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
State sources - SCC Grant	\$ 7,150,799.	\$ 0.	\$ 7,150,799.	\$ 7,150,799.
Bond proceeds	10,725,750.	0.	10,725,750.	10,725,750.
Transfer from capital outlay	449.	0.	449.	449.
Total revenues	17,876,998.	0.	17,876,998.	17,876,998.
Expenditures and Other Financing Uses:				
Purchased professional and technical services	93,013.	900,750.	\$ 993,763.	199,631.
Construction services	0.	2,335,096.	\$ 2,335,096.	17,677,367.
Other	52,975.	27,018.	79,993.	0.
Total expenditures	145,988.	3,262,864.	3,408,852.	17,876,998.
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 17,731,010.</u>	<u>\$ (3,262,864.)</u>	<u>\$ 14,468,146.</u>	<u>\$ 0.</u>
Additional project information:				
DOE Project Number	5910-050-14-1001			
SDA Sroject Number	5910-050-14-G3JQ			
Grant Date	5/14/2015			
Bond Authorization Date	11/4/2014			
Bonds Authorized	\$ 10,725,750.			
Bonds Issued	\$ 10,725,750.			
Original Authorized Cost	\$ 17,876,998.			
Additional Authorized Cost	\$ 0.			
Revised Authorized Cost	\$ 17,876,998.			
Percentage Increase Over Original Authorized Cost	0.00%			
Percentage Completion	19.07%			

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
MARY S SHOEMAKER ELEMENTARY SCHOOL-HVAC, VERTICAL MOVEMENT, ELECTRICAL, PLUMBING
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
State sources - SCC Grant	\$ 787,500.	\$ 0.	\$ 787,500.	\$ 787,500.
Bond proceeds	1,181,250.	0.	1,181,250.	1,181,250.
Total revenues	1,968,750.	0.	1,968,750.	1,968,750.
Expenditures and Other Financing Uses:				
Purchased professional and technical services	50,391.	70,220.	120,611.	232,050.
Construction services	0.	904,258.	904,258.	1,736,700.
Other	5,886.	14,640.	20,526.	0.
Total expenditures	56,277.	989,118.	1,045,395.	1,968,750.
Excess (deficiency) or revenues over (under) expenditures	\$ 1,912,473.	\$ (989,118.)	\$ 923,355.	\$ 0.
Additional project information:				
DOE Project Number		5910-060-14-1002		
SDA Project Number		5910-060-14-G3JR1000		
Grant Date		N/A		
Bond Authorization Date		11/6/2012		
Bonds Authorized		\$ 6,176,900.		
Bonds Issued		\$ 6,176,900.		
Original Authorized Cost		\$ 6,177,558.		
Additional Authorized Cost		\$ 0.		
Revised Authorized Cost		\$ 6,177,558.		
Percentage Increase Over Original Authorized Cost		0.00%		
Percentage Completion		16.92%		

PROPRIETARY FUNDS

ENTERPRISE FUND

WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2016

	Food Service Fund	Community School Fund	Pre-School	Total
ASSETS:				
Current Assets:				
Cash and cash equivalents	\$ (11,612.)	\$ 35,875.	\$ 1,218.	\$ 25,481.
Accounts receivable:				
State	281.	0.	0.	281.
Federal	10,505.	0.	0.	10,505.
Other	4,401.	0.	3,385.	7,786.
Inventories	18,173.	0.	0.	18,173.
Total current assets	<u>21,748.</u>	<u>35,875.</u>	<u>4,603.</u>	<u>62,226.</u>
Fixed assets:				
Equipment	118,562.	17,665.	0.	136,227.
Accumulated depreciation	(87,484.)	(5,300.)	0.	(92,784.)
Total fixed assets	<u>31,078.</u>	<u>12,365.</u>	<u>0.</u>	<u>43,443.</u>
Total assets	<u>52,826.</u>	<u>48,240.</u>	<u>4,603.</u>	<u>105,669.</u>
DEFERRED OUTFLOW OF RESOURCES:	<u>112,067.</u>	<u>0.</u>	<u>0.</u>	<u>112,067.</u>
LIABILITIES:				
Current Liabilities:				
Interfund payable	30,121.	5,825.	0.	35,946.
Accounts payable	4,952.	0.	0.	4,952.
Pension account payable	19,547.	0.	0.	19,547.
Prepaid tuition	0.	0.	475.	475.
Prepaid Lunches	0.	0.	0.	0.
Total current liabilities	<u>54,620.</u>	<u>5,825.</u>	<u>475.</u>	<u>60,920.</u>
Noncurrent liabilities				
Compensated absences	15,562.	0.	0.	15,562.
Net pension liability	471,165.	0.	0.	471,165.
Total noncurrent liabilities	<u>486,727.</u>	<u>0.</u>	<u>0.</u>	<u>486,727.</u>
Total liabilities	<u>541,347.</u>	<u>5,825.</u>	<u>475.</u>	<u>547,647.</u>
DEFERRED INFLOW OF RESOURCES:	<u>7,259.</u>	<u>0.</u>	<u>0.</u>	<u>7,259.</u>
NET POSITION:				
Invested in capital assets net of related debt	31,078.	12,365.	0.	43,443.
Unrestricted	(414,791.)	30,050.	4,128.	(380,613.)
Total net position	<u>\$ (383,713.)</u>	<u>\$ 42,415.</u>	<u>\$ 4,128.</u>	<u>\$ (337,170.)</u>

WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Food Service Fund	Community School Fund	Pre-School	Totals
OPERATING REVENUES:				
Local sources:				
Daily sales-reimbursable programs	\$ 162,370.	\$ 0.	\$ 0.	\$ 162,370.
Daily sales non-reimbursable programs	132,037.	0.	0.	132,037.
Fees	0.	14,840.	48,710.	63,550.
Total local sources	<u>294,407.</u>	<u>14,840.</u>	<u>48,710.</u>	<u>357,957.</u>
Total operating revenues	<u>294,407.</u>	<u>14,840.</u>	<u>48,710.</u>	<u>357,957.</u>
OPERATING EXPENSES:				
Cost of sales - reimbursable	144,440.	0.	0.	144,440.
Cost of sales - nonreimbursable	51,940.	0.	0.	51,940.
Salaries	213,266.	11,904.	47,632.	272,802.
Payroll taxes and fringe benefits	171,689.	911.	0.	172,600.
Pension expense	14,004.	0.	0.	14,004.
Supplies	4,997.	0.	2,533.	7,530.
Office Supplies	957.	0.	0.	957.
Repair and maintenance	3,557.	505.	0.	4,062.
Purchases service	4,188.	0.	0.	4,188.
Depreciation	5,493.	3,533.	0.	9,026.
Miscellaneous	112.	0.	0.	112.
Total operating expenses	<u>614,643.</u>	<u>16,853.</u>	<u>50,165.</u>	<u>681,661.</u>
Operating income/(loss) before transfer	<u>(320,236.)</u>	<u>(2,013.)</u>	<u>(1,455.)</u>	<u>(323,704.)</u>
Operating transfer in/(out):				
Operating transfers in/(out)	<u>70,202.</u>	<u>0.</u>	<u>0.</u>	<u>70,202.</u>
Operating income/(loss)	<u>(250,034.)</u>	<u>(2,013.)</u>	<u>(1,455.)</u>	<u>(253,502.)</u>
Nonoperating revenues (expenses):				
State sources:				
State school lunch program	5,076.	0.	0.	5,076.
Federal sources:				
National school breakfast program	18,173.	0.	0.	18,173.
National school lunch program	164,068.	0.	0.	164,068.
Food distribution program	49,111.	0.	0.	49,111.
Interest revenue	83.	50.	0.	133.
Total nonoperation revenues	<u>236,511.</u>	<u>50.</u>	<u>0.</u>	<u>236,561.</u>
Change in net position	<u>(13,523.)</u>	<u>(1,963.)</u>	<u>(1,455.)</u>	<u>(16,941.)</u>
Net position - July 1,	<u>(370,190.)</u>	<u>44,378.</u>	<u>5,583.</u>	<u>(320,229.)</u>
Net position - June 30	<u>\$ (383,713.)</u>	<u>\$ 42,415.</u>	<u>\$ 4,128.</u>	<u>\$ (337,170.)</u>

WOODSTOWN-PILES-GROVE REGIONAL SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Food Service Fund	Community School Fund	Pre-School	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customer	\$ 288,409.	\$ 14,840.	\$ 48,787.	\$ 352,036.
Payment to employees	(213,266.)	(11,904.)	(47,632.)	(272,802.)
Payment to employees' benefits	(171,689.)	(911.)	0.	(172,600.)
Cash payments to suppliers	(209,750.)	(505.)	(2,533.)	(212,788.)
Net cash provided (used) by operating activities	(306,296.)	1,520.	(1,378.)	(306,154.)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
State sources	5,081.	0.	0.	5,081.
Federal sources	181,818.	0.	0.	181,818.
Transfers in/(out)	70,202.	0.	0.	70,202.
Net cash provided by non-capital financing activities	257,101.	0.	0.	257,101.
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Equipment	0.	0.	0.	0.
Interest on investment	83.	50.	0.	133.
Net cash provided by investing activities	83.	50.	0.	133.
Net increase/(decrease) in cash and cash equivalents	(49,112.)	1,570.	(1,378.)	(48,920.)
Cash and cash equivalents - July 1	37,500.	34,305.	2,596.	74,401.
Cash and cash equivalents - June 30	(11,612.)	35,875.	1,218.	25,481.
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ (320,236.)	\$ (2,013.)	\$ (1,455.)	\$ (323,704.)
Adjustments to reconcile operating loss to cash provided (used) by operating activities:				
Depreciation	5,493.	3,533.	0.	9,026.
Federal commodities	49,111.	0.	0.	49,111.
Change in assets and liabilities:				
(Increase)/decrease in accounts receivable	(4,401.)	0.	(398.)	(4,799.)
(Increase)/decrease in inventory	(9,669.)	0.	0.	(9,669.)
(Increase)/decrease in deferred outflow	(53,051.)	0.	0.	(53,051.)
Increase/(decrease) in accounts payable	(15,283.)	0.	0.	(15,283.)
Increase/(decrease) in pension accounts payable	845.	0.	0.	845.
Increase/(decrease) in prepaid lunches	(1,597.)	0.	0.	(1,597.)
Increase/(decrease) in prepaid tuition	0.	0.	475.	475.
Increase/(decrease) in interfund payable	(25,193.)	0.	0.	(25,193.)
Increase/(decrease) in accrued salaries benefits	1,476.	0.	0.	1,476.
Increase/(decrease) in deferred inflow	(15,925.)	0.	0.	(15,925.)
Increase/(decrease) in net pension liability	82,134.	0.	0.	82,134.
Net cash provided by (used) by operating activities	(306,296.)	1,520.	(1,378.)	(306,154.)

INTERNAL SERVICE FUND

N/A

FIDUCIARY FUND

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2016

	Student Activity	Payroll/ Agency	Scholarship Fund	Unemployment Compensation Trust	Total
ASSETS:					
Cash & Cash Equivalents	\$ 270,345.	\$ (3,524.)	\$ 3,884.	\$ 49,916.	\$ 320,621.
Investments	0.	0.	10,000.	171,490.	181,490.
Due from Student Groups	0.	0.	7,496.	0.	7,496.
Due from Unemployment	0.	363.	0.	0.	363.
Due from General	0.	3,161.	0.	0.	3,161.
Total Assets	270,345.	0.	21,380.	221,406.	513,131.
DEFERRED OUTFLOW OF RESOURCES:					
LIABILITIES:					
Due to Scholarship Fund	7,496.	0.	0.	0.	7,496.
Due to Student Groups	262,849.	0.	0.	0.	262,849.
Due to Agency	0.	0.	0.	363.	363.
Due to Payroll Withholdings	0.	0.	0.	5,170.	5,170.
Total Liabilities	270,345.	0.	0.	5,533.	275,878.
DEFERRED INFLOW OF RESOURCES:					
NET POSITION:	0.	0.	21,380.	215,873.	237,253.
Total Net Position	\$ 0.	\$ 0.	\$ 21,380.	\$ 215,873.	\$ 237,253.

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR FISCAL YEAR ENDED JUNE 30, 2016

	Unemployment Compensation Trust	Scholarship Fund	Total
ADDITIONS:			
Contributions:			
Plan Member	\$ 23,423.	\$ 0.	\$ 23,423.
Other	0.	2,031.	2,031.
Board Contribution	0.	0.	0.
Total Contributions	<u>23,423.</u>	<u>2,031.</u>	<u>25,454.</u>
Investment Earnings:			
Interest	675.	170.	845.
Net Investment Earnings	<u>675.</u>	<u>170.</u>	<u>845.</u>
Total Additions	<u>24,098.</u>	<u>2,201.</u>	<u>26,299.</u>
DEDUCTIONS:			
Scholarships Awarded	0.	3,350.	3,350.
Other	10,244.	3,170.	13,414.
Unemployment Claims	56,860.	0.	56,860.
Total Deductions	<u>67,104.</u>	<u>6,520.</u>	<u>73,624.</u>
Transfer in/(out)	0.	0.	0.
Change in Net Position	(43,006.)	(4,319.)	(47,325.)
NET POSITION, JULY 1	<u>258,879.</u>	<u>25,699.</u>	<u>284,578.</u>
NET POSITION, JUNE 30	<u>\$ 215,873.</u>	<u>\$ 21,380.</u>	<u>\$ 237,253.</u>

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND SCHEDULE
OF RECEIPTS AND DISBURSEMENTS
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Cash Balance July 1, 2015	Cash Receipts	Cash Disbursements	Transfer	Cash Balance June 30, 2016
Student Activities	\$ 183,671.	\$ 665,692.	\$ 586,094.	\$ 0.	\$ 263,269.
Student Athletic Funds	9,148.	156,139.	158,211.	0.	7,076.
Total	\$ 192,819.	\$ 821,831.	\$ 744,305.	\$ 0.	\$ 270,345.

WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
ASSETS:				
Cash and cash equivalents	\$ (718.)	\$ 16,323,160.	\$ 16,325,966.	\$ (3,524.)
Interfund receivable	716.	2,445.	0.	3,161.
Due from Unemployment	2.	361.	0.	363.
Total assets	\$ 0.	\$ 16,325,966.	\$ 16,325,966.	\$ 0.
LIABILITIES:				
Net payroll	\$ 0.	\$ 8,844,550.	\$ 8,844,550.	\$ 0.
Payroll deductions and withholdings	0.	7,481,416.	7,481,416.	0.
Total liabilities	\$ 0.	\$ 16,325,966.	\$ 16,325,966.	\$ 0.

LONG-TERM DEBT

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
SCHEDULE OF SERIAL BONDS
JUNE 30, 2016

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Amount	Interest Rate	Balance July 1, 2015	Issued	Retired	Balance June 30, 2016
Woodstown High School/Middle School new multi-purpose room & renovate science rooms. Woodstown New Early Childhood Learning Center	3/26/2013	\$ 9,958,000.	3/15/2016	375,000.	2.250%	\$ 9,600,000.		\$ 375,000.	\$ 9,225,000.
			3/15/2017	400,000.	2.250%				
			3/15/2018	415,000.	2.250%				
			3/15/2019	430,000.	2.250%				
			3/15/2020	450,000.	2.250%				
			3/15/2021	465,000.	2.250%				
			3/15/2022	480,000.	2.250%				
			3/15/2023	500,000.	3.000%				
			3/15/2024	525,000.	3.000%				
			3/15/2025	540,000.	3.000%				
			3/15/2026	560,000.	3.000%				
			3/15/2027	575,000.	3.000%				
			3/15/2028	600,000.	3.000%				
			3/15/2029	615,000.	3.125%				
		3/15/2030	635,000.	3.250%					
		3/15/2031	660,000.	3.300%					
		3/15/2032	675,000.	3.338%					
		3/15/2033	700,000.	3.500%					
						\$ 9,600,000.	\$ 0.	\$ 375,000.	\$ 9,225,000.
Woodstown High School/Middle School and Mary S Shoemaker Elementary School various improvements and renovations	3/17/2015	\$ 11,907,000.	3/15/2017	\$450,000.	2.750%	\$ 11,907,000.		\$ 0.	\$ 11,907,000.
			3/15/2018	500,000.	2.750%				
			3/15/2019	515,000.	2.750%				
			3/15/2020	525,000.	3.000%				
			3/15/2021	540,000.	3.000%				
			3/15/2022	550,000.	3.000%				
			3/15/2023	570,000.	3.000%				
			3/15/2024	585,000.	3.000%				
			3/15/2025	600,000.	3.000%				
			3/15/2026	620,000.	3.000%				
			3/15/2027	640,000.	3.000%				
			3/15/2028	660,000.	3.000%				
			3/15/2029	680,000.	3.000%				
			3/15/2030	700,000.	3.000%				
		3/15/2031	700,000.	3.000%					
		3/15/2032	725,000.	3.125%					
		3/15/2033	750,000.	3.125%					
		3/15/2034	800,000.	3.250%					
		3/15/2035	797,000.	3.250%					
						\$ 11,907,000.	\$ 0.	\$ 0.	\$ 11,907,000.
						\$ 21,507,000.	\$ 0.	\$ 375,000.	\$ 21,132,000.

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
SCHEDULE OF CAPITAL LEASES
JUNE 30, 2016

Purpose	Date of Lease	Term of Lease	Amount of Original Issue	Interest Payable	Interest Rate	Amount Outstanding July 1, 2015	Issued Current Year	Retired Current Year	Amount Outstanding June 30, 2016
Municipal Capital Finance - Copiers	6/14/2013	5 years	64,739.	7,201.	4.230%	\$ 40,471.	\$ 0.	\$ 12,286.	\$ 28,185.
Apple, Inc. - Computers	7/13/2013	4 years	73,975.	5,847.	5.320%	36,938.	0.	17,990.	18,948.
Apple, Inc. - Computers	7/13/2013	5 years	124,214.	4,719.	1.900%	74,510.	0.	24,371.	50,139.
Cisco Systems Capital - IT Network	9/1/2013	5 years	145,856.	1,628.	3.900%	87,418.	0.	28,007.	59,411.
Apple, Inc. - Computers	9/1/2014	3 years	46,936.	2,530.	5.490%	30,447.	0.	14,817.	15,630.
Apple, Inc. - Computers	10/15/2015	5 years	231,327.	8,789.	1.900%	0.	231,327.	48,023.	183,304.
John Deere Credit - Tractor	10/22/2015	5 years	17,746.	1,444.	4.071%	0.	17,746.	3,838.	13,908.
Total						<u>\$ 269,784.</u>	<u>\$ 249,073.</u>	<u>\$ 149,332.</u>	<u>\$ 369,525.</u>

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Budget Transfer	Final Budget	Actual	Variance to Actual	Final
REVENUES:						
Local sources:						
Local tax levy	\$ 901,877.	\$ 0.	\$ 901,877.	\$ 901,877.	\$ 0.	0.
Miscellaneous	113,803.	0.	113,803.	113,803.	0.	0.
State sources:						
Debt service aid - type II	0.	0.	0.	0.	0.	0.
Total revenues	1,015,680.	0.	1,015,680.	1,015,680.	0.	0.
EXPENDITURES:						
Regular debt service:						
Interest	640,680.	0.	640,680.	640,680.	0.	0.
Redemption of principal	375,000.	0.	375,000.	375,000.	0.	0.
Total regular debt service	1,015,680.	0.	1,015,680.	1,015,680.	0.	0.
Total expenditures	1,015,680.	0.	1,015,680.	1,015,680.	0.	0.
Excess (deficiency) of revenues (over)/under expenditures	0.	0.	0.	0.	0.	0.
Other financing sources (uses):						
Transfers from Capital Project Fund	0.	0.	0.	0.	0.	0.
Fund Balance, July 1	0.	0.	0.	0.	0.	0.
Fund Balance, June 30	\$ 0.	\$ 0.	\$ 0.	\$ 0.	\$ 0.	0.

STATISTICAL SECTION

FINANCIAL TRENDS

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities:										
Invested in capital assets, net of related debt	\$ 3,007,212.	\$ 2,728,522.	\$ 3,046,092.	\$ 3,131,191.	\$ 2,923,278.	\$ 2,815,175.	\$ 2,988,365.	\$ 2,161,797.	\$ (8,691,436.)	\$ (4,372,064)
Restricted	672,479.	640,231.	20,634.	477,338.	1,043,710.	693,579.	9,348,269.	1,021,516.	12,082,015.	9,592,408
Unrestricted	63,230.	94,402.	(62,125.)	(399,546.)	(221,041.)	693,241.	(8,362,289.)	(355,112.)	(6,808,844.)	(7,200,180)
Total governmental activities net position	\$ 3,742,921.	\$ 3,463,155.	\$ 3,004,601.	\$ 3,208,983.	\$ 3,745,947.	\$ 4,201,995.	\$ 3,974,345.	\$ 2,828,201.	\$ (3,418,265.)	\$ (1,979,836.)
Business-Type Activities:										
Invested in capital assets, net of related debt	\$ 32,235.	\$ 27,806.	\$ 23,377.	\$ 50,442.	\$ 50,560.	\$ 46,168.	\$ 47,557.	\$ 42,064.	\$ 52,469.	\$ 43,443.
Unrestricted	37,905.	49,603.	147,310.	250,012.	249,999.	255,030.	162,600.	(1,453.)	(372,698.)	(380,613.)
Total business-type activities net position	\$ 70,140.	\$ 77,409.	\$ 170,687.	\$ 300,454.	\$ 300,559.	\$ 301,198.	\$ 210,157.	\$ 40,611.	\$ (320,229.)	\$ (337,170.)
District-Wide:										
Invested in capital assets, net of related debt	\$ 3,039,447.	\$ 2,756,328.	\$ 3,069,469.	\$ 3,181,633.	\$ 2,973,838.	\$ 2,861,343.	\$ 3,035,922.	\$ 2,203,861.	\$ (8,638,967.)	\$ (4,328,621.)
Restricted	672,479.	640,231.	20,634.	477,338.	1,043,710.	693,579.	9,348,269.	1,021,516.	12,082,015.	9,592,408.
Unrestricted	101,135.	144,005.	85,185.	(149,534.)	28,958.	948,271.	(8,199,689.)	(356,565.)	(7,181,542.)	(7,580,793.)
Total District Net Position	\$ 3,813,061.	\$ 3,540,564.	\$ 3,175,288.	\$ 3,509,437.	\$ 4,046,506.	\$ 4,503,193.	\$ 4,184,502.	\$ 2,868,812.	\$ (3,738,494.)	\$ (2,317,006.)

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities										
Instruction:										
Regular	\$ 6,634,777	\$ 7,036,000	\$ 7,225,533	\$ 7,374,047	\$ 6,642,145	\$ 6,863,729	\$ 7,317,384	\$ 7,183,330	\$ 7,219,581	\$ 6,890,189
Special education	1,571,009	1,538,940	1,692,165	1,749,763	1,551,075	1,742,193	1,943,162	2,124,715	2,566,495	2,628,113
Other special education	222,468	240,476	301,551	300,218	373,434	341,724	240,876	354,719	427,752	348,070
Other instruction	432,219	456,214	456,366	533,283	367,553	499,397	515,122	531,942	520,031	507,708
Support Services:										
Tuition	565,585	610,794	763,021	664,541	837,334	656,391	738,591	954,329	504,710	660,539
Student & instruction related services	2,078,398	2,066,857	2,024,296	2,219,189	1,837,464	2,148,823	2,270,966	2,374,011	2,226,052	2,199,543
General administration	937,432	946,251	1,017,392	1,201,988	837,370	836,509	928,248	920,424	1,016,464	1,285,064
School administrative services	931,394	1,004,317	1,180,347	957,801	1,088,911	1,136,745	1,202,794	1,295,068	1,283,138	1,010,346
Plant operations & maintenance	1,805,554	1,881,934	1,930,725	1,920,772	1,854,404	2,355,647	2,087,814	2,126,950	2,168,131	2,166,468
Pupil transportation	790,712	798,773	847,124	885,584	787,446	754,250	753,104	919,485	898,109	954,529
Employee benefits	5,327,275	5,528,883	4,885,697	5,214,763	4,929,257	5,093,193	5,709,827	6,098,306	9,133,020	10,292,654
Interest on long-term debt	0	0	0	0	0	0	73,872	260,037	418,536	637,950
NJ Debt Service Assessment	0	0	0	0	5,114	2,974	4,082	6,294	6,294	6,294
Amortization of debt issuance cost	0	0	0	0	0	0	618	0	0	0
Unallocated depreciation	129,791	107,637	105,146	112,551	117,234	113,794	122,766	150,327	151,493	221,710
Total governmental activities expenses	21,426,614	22,217,076	22,429,363	23,134,500	21,228,741	22,545,369	23,909,226	25,299,937	28,539,806	29,809,177
Business-type activities:										
Food service	564,358	550,897	589,258	581,184	625,122	630,377	642,432	623,270	618,765	614,643
Community School	224,039	233,230	185,778	183,681	344,360	341,357	201,281	189,229	80,820	67,018
Total business-type activities expense	788,397	784,127	755,036	764,865	969,482	971,734	843,713	812,499	699,585	681,661
Total district expenses	\$ 22,215,011	\$ 23,001,203	\$ 23,184,399	\$ 23,899,365	\$ 22,198,223	\$ 23,517,103	\$ 24,752,939	\$ 26,112,436	\$ 29,239,391	\$ 30,490,838
Program Revenues										
Governmental activities:										
Charges for services:										
Operating grants and contributions	\$ 2,142,226	\$ 2,259,101	\$ 1,451,833	\$ 1,475,832	\$ 1,453,949	\$ 1,768,097	\$ 2,194,986	\$ 1,965,370	\$ 4,693,403	\$ 5,998,769
Total governmental activities program revenues	2,142,226	2,259,101	1,451,833	1,475,832	1,453,949	1,768,097	2,194,986	1,965,370	4,693,403	5,998,769
Business-type activities:										
Charges for services:										
Food service	391,059	395,561	435,196	434,902	445,246	419,478	337,059	335,759	309,256	294,407
Community school	236,960	243,860	254,555	288,021	331,144	362,971	396,359	443,772	82,593	236,428
Operating grants and contributions	129,796	149,319	158,133	171,506	192,930	236,232	229,469	226,872	220,074	63,550
Total business-type activities program revenues	757,815	788,740	847,884	894,429	969,320	1,018,681	962,887	1,006,403	611,923	594,385
Total district program revenues	\$ 2,900,041	\$ 3,047,841	\$ 2,299,717	\$ 2,370,261	\$ 2,423,269	\$ 2,786,778	\$ 3,157,873	\$ 2,971,773	\$ 5,305,326	\$ 6,593,154

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue										
Governmental activities	\$ (19,284,388.)	\$ (19,957,975.)	\$ (20,977,530.)	\$ (21,658,668.)	\$ (19,774,792.)	\$ (20,777,272.)	\$ (21,714,240.)	\$ (23,334,567.)	\$ (23,846,403.)	\$ (23,810,408.)
Business-type activities	(30,582.)	4,613.	92,848.	129,564.	(162.)	46,947.	119,174.	193,904.	(87,662.)	(87,276.)
Total district-wide net expense	\$ (19,314,970.)	\$ (19,953,362.)	\$ (20,884,682.)	\$ (21,529,104.)	\$ (19,774,954.)	\$ (20,730,325.)	\$ (21,595,066.)	\$ (23,140,663.)	\$ (23,934,065.)	\$ (23,897,684.)
General Revenues & Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 8,521,913.	\$ 8,388,426.	\$ 8,603,163.	\$ 8,874,811.	\$ 9,229,803.	\$ 9,229,803.	\$ 9,414,398.	\$ 9,752,685.	\$ 9,947,738.	\$ 10,146,692.
Taxes levied for debt service	0.	0.	0.	0.	0.	0.	0.	255,210.	631,439.	901,877.
Grants and contributions	6,716,312.	6,971,475.	7,456,658.	8,401,297.	7,095,114.	7,434,344.	7,759,232.	7,869,587.	7,920,698.	9,267,974.
Tuition Received	3,716,153.	4,244,303.	4,408,433.	4,509,399.	3,865,952.	4,450,941.	4,056,556.	3,975,425.	4,598,805.	4,531,208.
Investment earnings	85,856.	46,839.	11,559.	3,731.	3,835.	4,255.	7,734.	8,026.	7,170.	15,428.
Miscellaneous income	37,032.	47,166.	38,893.	74,082.	117,052.	69,199.	38,198.	45,585.	410,904.	455,860.
Cancellation of capital lease	0.	0.	0.	0.	0.	0.	0.	26,843.	0.	0.
Adjustment to Fixed Assets	(19,407.)	0.	0.	0.	0.	0.	0.	(54,100.)	0.	0.
Bond issuance costs	0.	0.	0.	0.	0.	0.	0.	0.	(58,861.)	0.
Transfers	(30,733.)	0.	0.	0.	0.	46,542.	210,472.	363,590.	6,340.	(70,202.)
Total governmental activities	19,027,126.	19,678,209.	20,518,706.	21,863,320.	20,311,756.	21,235,084.	21,486,590.	22,242,851.	23,464,233.	25,248,837.
Business-type activities:										
Investment earnings	2,984.	2,656.	430.	203.	267.	234.	257.	140.	187.	133.
Transfers	30,733.	0.	0.	0.	0.	(46,542.)	(210,472.)	(363,590.)	93,660.	70,202.
Total business-type activities	33,717.	2,656.	430.	203.	267.	(46,308.)	(210,215.)	(363,450.)	93,847.	70,335.
Total district-wide	\$ 19,060,843.	\$ 19,680,865.	\$ 20,519,136.	\$ 21,863,523.	\$ 20,312,023.	\$ 21,188,776.	\$ 21,276,375.	\$ 21,879,401.	\$ 23,558,080.	\$ 25,319,172.
Change in net position	(257,262.)	(279,766.)	(458,824.)	204,652.	536,984.	457,812.	(227,650.)	(1,091,716.)	(382,170.)	1,438,429.
Governmental activities	3,135.	7,269.	93,278.	129,767.	105.	639.	(91,041.)	(169,546.)	6,185.	(16,941.)
Business-type activities										
Total district	\$ (254,127.)	\$ (272,497.)	\$ (365,546.)	\$ 334,419.	\$ 537,089.	\$ 458,451.	\$ (318,691.)	\$ (1,261,262.)	\$ (375,985.)	\$ 1,421,488.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund											
Reserved	\$ 707,121.	\$ 653,217.	\$ 620,300.	\$ 1.	\$ 459,761.	\$ 1,451,959.	\$ 2,119,602.	\$ 1,647,346.	\$ 642,920.	\$ 547,053.	\$ 265,420.
Unreserved	38,960.	410,201.	484,680.	444,630.	322,188.	(180,863.)	(217,073.)	(61,444.)	(278,461.)	(565,509.)	(422,969.)
Total general fund	\$ 746,081.	\$ 1,063,418.	\$ 1,104,980.	\$ 444,631.	\$ 781,949.	\$ 1,271,096.	\$ 1,902,529.	\$ 1,585,902.	\$ 364,459.	\$ (18,456.)	\$ (157,549.)
All Other Governmental Funds											
Unreserved, reported in:											
Special revenue fund	\$ (1,806.)	\$ (1,806.)	\$ (4,806.)	\$ (3,300.)	\$ (3,300.)	\$ (3,300.)	\$ (3,300.)	\$ (3,300.)	\$ (3,300.)	\$ (3,300.)	\$ (3,300.)
Capital projects fund	17,577.	17,577.	17,577.	17,577.	17,577.	17,577.	0.	8,863,564.	982,161.	12,063,085.	9,326,987.
Debt service fund	924.	1,685.	2,354.	2,786.	0.	0.	0.	0.	0.	0.	0.
Total all other governmental funds	\$ 16,695.	\$ 17,456.	\$ 15,125.	\$ 17,063.	\$ 14,277.	\$ 14,277.	\$ (3,300.)	\$ 8,860,264.	\$ 978,861.	\$ 12,059,785.	\$ 9,323,687.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST FISCAL YEARS

(Modified Accrual Basis of Accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenue										
Tax levy	\$ 8,521,913.	\$ 8,368,426.	\$ 8,603,163.	\$ 8,874,811.	\$ 9,229,803.	\$ 9,229,803.	\$ 9,414,398.	\$ 10,007,895.	\$ 10,579,177.	\$ 11,048,569.
Tuition charges	3,716,153.	4,244,303.	4,408,433.	4,509,399.	3,865,952.	4,450,941.	4,066,556.	3,975,425.	4,598,805.	4,531,208.
Interest earnings	85,856.	46,839.	11,559.	3,731.	3,835.	4,255.	7,734.	8,026.	7,170.	15,428.
Miscellaneous	37,032.	47,166.	38,893.	74,082.	117,053.	69,199.	38,198.	45,584.	410,904.	455,860.
State sources	8,315,145.	8,754,204.	8,436,323.	8,023,970.	7,963,171.	8,543,280.	9,317,531.	9,240,009.	9,543,271.	11,442,466.
Federal sources	543,393.	476,372.	472,168.	1,853,159.	585,892.	659,161.	636,687.	594,948.	640,084.	628,253.
Total revenue	21,219,492.	21,937,310.	21,970,539.	23,339,152.	21,765,706.	22,956,639.	23,471,104.	23,871,887.	25,779,411.	28,121,784.
Expenditures										
Instruction:										
Regular instruction	6,639,955.	6,970,772.	7,193,837.	7,519,166.	6,673,535.	6,946,926.	7,387,870.	7,333,310.	7,356,274.	7,034,950.
Special education instruction	1,561,642.	1,531,172.	1,684,577.	1,741,641.	1,542,615.	1,733,981.	1,934,302.	2,113,866.	2,555,561.	2,612,112.
Other special instruction	222,468.	240,476.	301,551.	300,218.	373,434.	341,724.	240,876.	354,719.	427,752.	348,070.
School sponsored/other instr.	432,219.	456,214.	456,366.	533,283.	367,553.	499,397.	515,122.	531,942.	520,031.	507,708.
Support Services										
Tuition	565,585.	610,794.	763,021.	664,541.	837,334.	656,391.	738,591.	954,329.	504,710.	660,539.
Student & inst. related services	2,075,722.	2,064,638.	2,022,128.	2,216,868.	1,835,047.	2,146,477.	2,268,435.	2,370,911.	2,222,928.	2,194,972.
School administration services	937,432.	946,251.	1,180,347.	1,201,988.	1,088,911.	1,136,745.	1,202,794.	1,295,068.	1,283,138.	1,285,064.
General administration	931,394.	1,004,317.	508,991.	444,134.	404,002.	406,968.	464,652.	450,108.	516,772.	487,203.
Central services & admin info tech	0.	0.	508,401.	513,667.	433,368.	429,541.	463,596.	470,316.	499,692.	523,143.
Plant operations and maintenance	1,682,452.	1,779,846.	1,830,999.	1,814,023.	1,743,213.	2,247,719.	1,971,376.	1,984,371.	2,024,446.	1,956,185.
Pupil transportation	790,712.	798,773.	847,124.	885,584.	787,446.	754,250.	753,104.	919,485.	898,109.	954,529.
Other support services:										
Employee benefits	5,330,260.	5,488,576.	4,767,714.	4,999,784.	5,184,986.	5,043,489.	5,645,079.	6,059,696.	6,601,622.	6,903,434.
Capital outlay	254,665.	290,174.	784,394.	189,557.	277,033.	72,924.	1,571,581.	8,571,477.	921,540.	4,692,257.
Debt service	0.	0.	0.	0.	0.	0.	0.	0.	358,000.	375,000.
Principal	0.	0.	0.	0.	0.	0.	0.	272,760.	292,242.	640,680.
Interest and other charges	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
Total Expenditures	21,424,506.	22,182,003.	22,849,450.	23,024,454.	21,548,477.	22,416,532.	25,157,378.	33,682,358.	26,982,817.	31,175,846.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2015
Excess (deficiency) of revenues over/(under) expenditures	\$ (205,014.)	\$ (244,693.)	\$ (878,911.)	\$ 314,698.	\$ 217,229.	\$ 540,107.	\$ (1,686,274.)	\$ (9,810,471.)	\$ (1,203,406.)	\$ (3,054,062.)
Other Financing Sources/(Uses)										
Bond Proceeds	0.	0.	0.	0.	0.	0.	9,958,000.	0.	11,907,000.	0.
Capital Leases (non-budgeted)	204,845.	283,924.	220,500.	19,834.	271,919.	28,970.	64,739.	344,035.	46,936.	249,073.
Prior Year Adjustment	0.	0.	0.	0.	0.	(1,764.)	0.	0.	0.	0.
Bond Issuance Cost	0.	0.	0.	0.	0.	0.	0.	0.	(58,861.)	0.
Transfers in	0.	0.	0.	0.	0.	49,258.	211,130.	363,590.	100,449.	0.
Transfers out	(30,733.)	0.	0.	0.	0.	(2,716.)	(658.)	0.	(94,109.)	(70,202.)
Total other financing sources/(uses)	174,112.	283,924.	220,500.	19,834.	271,919.	73,748.	275,211.	707,625.	11,901,415.	178,871.
Net change in fund balance	\$ (30,902.)	\$ 39,231.	\$ (658,411.)	\$ 334,532.	\$ 489,148.	\$ 613,855.	\$ (1,411,063.)	\$ (9,102,846.)	\$ 10,698,009.	\$ (2,875,191.)
Debt service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.09%	2.50%	3.84%

Source: District records

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Interest on investments	\$ 85,856.	\$ 46,170.	\$ 11,127.	\$ 3,518.	\$ 3,835.	\$ 4,255.	\$ 7,734.	\$ 8,026.	\$ 7,170.	\$ 15,428.
Athletic gate receipts	11,348.	10,758.	12,473.	9,284.	5,451.	7,810.				14,423.
Rentals	4,455.	7,018.	6,508.	16,178.	5,616.	15,176.	30,639.	25,512.	12,534.	7,805.
Prior year refunds	0.	17,483.	17,315.	21,295.	29,200.	14,800.	4,412.	0.	0.	0.
Other	0.	11,907.	2,597.	9,089.	50,903.	13,689.	3,147.	2,522.	4,563.	9,389.
Academy	21,229.	0.	0.	0.	0.	0.	0.	0.	379,480.	424,243.
	<u>\$ 122,888.</u>	<u>\$ 93,336.</u>	<u>\$ 50,020.</u>	<u>\$ 59,364.</u>	<u>\$ 95,005.</u>	<u>\$ 55,730.</u>	<u>\$ 45,932.</u>	<u>\$ 36,060.</u>	<u>\$ 403,747.</u>	<u>\$ 471,288.</u>

Source: District records

REVENUE CAPACITY

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
BOROUGH OF WOODSTOWN
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

	Year Ended Dec. 31	Net Assessed Valuations	Estimated Full Cash Valuations	Percentage of Net Assessed to Estimated Full Cash Valuations
Borough of Woodstown	2006	\$ 148,241,778.	\$ 216,823,722.	68.37%
	2007	152,863,474.	263,031,986.	58.12%
	2008	299,963,174.	278,653,459.	107.65%
	2009	299,377,045.	302,563,918.	98.95%
	2010	298,031,311.	297,040,105.	100.33%
	2011	298,185,561.	300,356,306.	99.28%
	2012	296,779,818.	293,732,828.	101.04%
	2013	295,109,549.	284,048,235.	103.89%
	2014	291,719,375.	275,299,909.	105.96%
	2015	288,898,808.	274,933,710.	105.08%

Source: Abstract of Ratables, County Board of Taxation

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
TOWNSHIP OF PILES GROVE
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

	Year Ended Dec. 31	Net Assessed Valuations	Estimated Full Cash Valuations	Percentage of Net Assessed to Estimated Full Cash Valuations
Township of Piles Grove	2006	\$ 269,159,554.	\$ 415,282,105.	64.81%
	2007	484,909,771.	480,954,931.	100.82%
	2008	485,903,245.	479,644,645.	101.30%
	2009	491,754,406.	487,686,282.	100.83%
	2010	493,098,647.	490,873,553.	100.45%
	2011	491,507,899.	492,299,260.	99.84%
	2012	492,623,399.	476,987,201.	103.28%
	2013	485,281,400.	448,341,940.	108.24%
	2014	481,080,200.	440,218,965.	109.28%
	2015	478,754,300.	436,260,593.	109.74%

Source: Abstract of Ratables, County Board of Taxation

EXHIBIT J-7(a)

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
BOROUGH OF WOODSTOWN
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)

Fiscal Year Ended June 30,	Woodstown-Pilesgrove School District			Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6) Total Direct School Tax Rate	Borough of Woodstown	Salem County	County		
2006	\$ 2.020	\$ -	\$ 2.020	\$ 0.776	\$ 1.419	\$ 4.215		
2007	1.934	-	1.934	0.816	1.613	4.363		
2008	1.056	-	1.056	0.451	0.862	2.369		
2009	1.145	-	1.145	0.481	0.898	2.524		
2010	1.174	-	1.174	0.510	0.873	2.557		
2011	1.169	-	1.169	0.533	0.900	2.602		
2012	1.213	-	1.213	0.553	0.930	2.696		
2013	1.301	-	1.301	0.575	0.922	2.798		
2014	1.389	-	1.389	0.606	0.907	2.902		
2015	1.479	-	1.479	0.630	0.951	3.060		

Source: Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable
- b Rates for debt service are based on each year's requirements

EXHIBIT J-7(b)

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
TOWNSHIP OF PILESGROVE
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)

Fiscal Year Ended June 30,	Woodstown-Pilesgrove School District			Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6) Total Direct School Tax Rate	Township of Pilesgrove	Salem County			
2006	\$ 2.053	\$ -	\$ 2.053	\$ 0.030	\$ 1.526	\$ 3.609		
2007	1.116	-	1.116	0.080	0.932	2.128		
2008	1.118	-	1.118	0.100	0.913	2.131		
2009	1.107	-	1.107	0.122	0.879	2.108		
2010	1.163	-	1.163	0.125	0.877	2.165		
2011	1.168	-	1.168	0.249	0.896	2.313		
2012	1.180	-	1.180	0.250	0.906	2.336		
2013	1.269	-	1.269	0.263	0.882	2.414		
2014	1.354	-	1.354	0.272	0.878	2.504		
2014	1.415	-	1.415	0.273	0.912	2.600		

Source: Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable
- b Rates for debt service are based on each year's requirements

WOODSTOWN-PILESGRIVE REGIONAL SCHOOL DISTRICT
BOROUGH OF WOODSTOWN
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Hilcrest Gardens Apt % Affil Management	\$ 4,600,000.	1	1.59%			
Erdners Busy Corner Whse Inc.	3,669,600.	2	1.27%			
Hilcrest II Limited Partnership	2,782,200.	3	0.96%			
ARHC SCWDSNJ01, LLC	2,062,300.	4	0.71%			
The Bank	1,716,000.	5	0.59%			
Taxpayer 1	1,464,000.	6	0.51%			
Chestnut Run Golf Properties, Inc.	1,268,500.	7	0.44%			
Bell Atlantic	1,175,008.	8	0.41%			
McDonald's (JDKD Enterprises LP)	1,093,900.	9	0.38%			
Woodstown Development Group LLC	1,068,400.	10	0.37%			
Total	\$ 20,899,908.		7.23%	\$ 0.		0.00%

Information Not Available

Source: Municipal Tax Assessor

WOODSTOWN-PILESGRIVE REGIONAL SCHOOL DISTRICT
TOWNSHIP OF PILESGROVE
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Friends Home of Woodstown Inc.	\$ 7,570,400.	1	1.58%			
ASP Realty, Inc.	5,228,100.	2	1.09%			
Richard E Pierson	3,943,600.	3	0.82%			
Pilesgrove Solar LLC % Con Edison	3,593,700.	4	0.75%			
Pierson-Gaskill Golf Properties Inc.	3,070,500.	5	0.64%			
Four Season Camp Ground Properties	2,812,300.	6	0.59%			
Wawa Inc.	2,486,500.	7	0.52%			
Barbich, Louis J ET AL Trustees	2,444,100.	8	0.51%			
Cowtown Bowl	2,279,900.	9	0.48%			
JRC Assets LP - Rite Aid	2,112,300.	10	0.44%			
Total	\$ 35,541,400.		7.42%	\$ 0.		0.00%

Information was Not Available

Source: Municipal Tax Assessor

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes Levies For and Collections	Collected Within the Fiscal Year of the Levy (a)		Collection in Subsequent Year
		Amount	Percentage of Levy	
2007	8,521,913.	8,521,913.	100.00%	
2008	8,368,426.	8,368,426.	100.00%	
2009	8,603,163.	8,603,163.	100.00%	
2010	8,874,811.	8,874,781.	100.00%	
2011	9,229,803.	9,229,803.	100.00%	
2012	9,229,803.	9,229,803.	100.00%	
2013	9,414,398.	9,414,398.	100.00%	
2014	10,007,895.	10,007,895.	100.00%	
2015	10,579,177.	10,579,177.	100.00%	
2016	11,048,569.	11,048,569.	100.00%	

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

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

DEBT CAPACITY

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2007	\$ 0.	\$ 0.	\$ 266,585.	\$ 0.	\$ 0.	\$ 266,585.	0.10%	\$ 31.	
2008	0.	0.	329,585.	0.	0.	329,585.	0.12%	42.	
2009	0.	0.	359,113.	0.	0.	359,113.	0.12%	45.	
2010	0.	0.	211,673.	0.	0.	211,673.	0.07%	27.	
2011	0.	0.	263,404.	0.	0.	263,404.	0.09%	35.	
2012	0.	0.	224,725.	0.	0.	224,725.	0.07%	30.	
2013	9,958,000.	0.	198,553.	0.	0.	10,156,553.	3.18%	1,348.	
2014	9,958,000.	0.	362,665.	0.	0.	10,320,665.	3.29%	1,380.	
2015	21,507,000.	0.	269,784.	0.	0.	21,776,784.	6.85%	2,934.	
2016	21,132,000.	0.	369,525.	0.	0.	21,501,525.	N/A	2,834.	

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

- a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b Includes Early Retirement Incentive Plan (ERIP) refunding

EXHIBIT J-11

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value (a) of Property	Per Capita (b)
	General Obligation Bonds						
2006	\$ 0.	\$ 0.	\$ 0.	0.	0.	0.00%	\$ 0.
2007	0.	0.	0.	0.	0.	0.00%	0.
2008	0.	0.	0.	0.	0.	0.00%	0.
2009	0.	0.	0.	0.	0.	0.00%	0.
2010	0.	0.	0.	0.	0.	0.00%	0.
2011	0.	0.	0.	0.	0.	0.00%	0.
2012	9,958,000.	9,958,000.	0.	0.	9,958,000.	1.67%	1,321.
2013	9,958,000.	9,958,000.	0.	0.	9,958,000.	1.67%	1,332.
2014	21,507,000.	21,507,000.	0.	0.	21,507,000.	3.62%	2,898.
2015	21,132,000.	21,132,000.	0.	0.	21,132,000.	3.58%	2,785.

Notes: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

- a See Exhibit NJ J-6 for property tax data.
- b Population data can be found in Exhibit NJ J-14

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2016

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes:			
Borough of Woodstown	\$ 1,397,496.	100.0000%	\$ 1,397,496.
Pilesgrove Township	5,144,700.	100.0000%	5,144,700.
County of Salem - Borough's Share	40,394,432.	5.221%	2,108,993.
County of Salem - Township's Share	40,394,432.	8.323%	3,362,029.
Subtotal, Overlapping Debt			12,013,218.
Woodstown-Pilesgrove Regional School District Direct Debt			21,132,000.
Total Direct & Overlapping Debt			<u>\$ 33,145,218.</u>

Sources: Assessed value data used to estimate applicable percentages provided by County Board of Taxation.
 Debt outstanding data provided by each government unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Woodstown-Pilesgrove. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping payment.

a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt Limit	\$ 31,341,425.	\$ 27,678,972.	\$ 29,993,623.	\$ 30,843,314.	\$ 31,307,398.	\$ 31,103,570.	\$ 30,469,408.	\$ 29,536,235.	\$ 28,868,728.	\$ 28,571,721.
Total Net Debt Applicable to Limit	0.	0.	0.	0.	0.	0.	9,958,000.	9,958,000.	21,507,000.	21,132,000.
Legal Debt Margin	\$ 31,341,425.	\$ 27,678,972.	\$ 29,993,623.	\$ 30,843,314.	\$ 31,307,398.	\$ 31,103,570.	\$ 20,511,408.	\$ 19,578,235.	\$ 7,361,728.	\$ 7,439,721.

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%	32.68%	33.71%	74.50%	73.96%
--	-------	-------	-------	-------	-------	-------	--------	--------	--------	--------

Legal Debt Margin Calculation for Fiscal Year 2016

Borough of Woodstown	Equalized Valuation Basis	
	2015	\$ 274,336,194.
	2014	275,461,845.
	2013	274,869,634.
		<u>\$ 824,667,673.</u>
Average Equalized Valuation of Taxable Property	\$	274,889,224.

Pilesgrove Township	Equalized Valuation Basis	
	2015	\$ 437,138,696.
	2014	438,741,632.
	2013	442,331,055.
		<u>\$ 1,318,211,383.</u>
Average Equalized Valuation of Taxable Property	\$	439,403,794.

Total Average Equalized Valuation of Taxable Property	\$	714,293,019.
---	----	--------------

Debt Limit (4 % of Average Equalization Value)	28,571,721.	(a)
Total Net Debt Applicable to Limit	<u>21,132,000.</u>	
Legal Debt Margin	<u>\$ 7,439,721.</u>	

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

(a) Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

**DEMOGRAPHIC AND ECONOMIC
INFORMATION**

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
BOROUGH OF WOODSTOWN
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2006	3,333	114,685,197.	34,409.	2.60%
2007	3,321	117,018,756.	35,236.	2.60%
2008	3,360	128,026,080.	38,103.	3.30%
2009	3,349	128,303,539.	38,311.	5.90%
2010	3,505	139,162,520.	39,704.	6.20%
2011	3,496	142,801,112.	40,847.	5.90%
2012	3,514	148,817,900.	42,350.	6.00%
2013	3,482	146,233,554.	41,997.	6.30%
2014	3,454	148,003,900.	42,850.	6.70%
2015	3,524	N/A	N/A	6.30%

Source:

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income has been estimated based upon the municipal population and per capita personal income presented
- c Per capita personal income by county estimated based upon the 2000 Census published by the US Bureau of Economic Analysis
- d Unemployment data provided by the N.J. Dept. of Labor and Workforce Development

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
TOWNSHIP OF PILES GROVE
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2006	4,534	\$ 156,010,406.	\$ 34,409.	4.00%
2007	4,515	159,090,540.	35,236.	3.90%
2008	4,548	173,292,444.	38,103.	5.00%
2009	4,548	174,238,428.	38,311.	8.60%
2010	4,016	159,451,264.	39,704.	4.60%
2011	4,006	163,633,082.	40,847.	8.70%
2012	4,023	170,374,050.	42,350.	8.90%
2013	3,995	167,778,015.	41,997.	7.00%
2014	3,967	169,985,950.	42,850.	7.40%
2015	4,063	N/A	N/A	5.20%

Source:

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income has been estimated based upon the municipal population and per capita personal income presented
- c Per capita personal income by county estimated based upon the 2000 Census published by the US Bureau of Economic Analysis
- d Unemployment data provided by the N.J. Dept. of Labor and Workforce Development

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2015			2006		
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
Information Not Available						
	\$ 0.		0.00%	\$ 0.		0.00%

Source: Top Employeer of Salem County

OPERATING INFORMATION

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Instruction:										
Regular	106.0	108.8	110.8	112.7	106.5	110.7	101.8	102.8	103.2	100.1
Special Education	23.5	24.5	24.7	22.2	20.7	21.9	35.4	47.6	48.2	44.1
Vocational	1.0	1.2	1.5	1.6	1.0	0.8	0.0	0.0	0.0	0.0
Other Instruction	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
Support Services:										
Student & Instruction Related Services	33.5	35.7	35.2	35.2	31.4	35.4	45.5	35.7	35.2	35.2
General Administrative Services	6.0	6.0	6.0	6.0	6.0	6.0	2.0	2.0	2.0	2.0
School Administrative Services	24.6	25.0	25.0	24.6	22.0	21.0	16.6	14.6	16.1	16.1
Central Services	0.1	0.1	0.1	0.1	0.1	0.1	4.0	4.0	4.0	4.0
Administrative Information Technology	1.0	1.0	1.0	1.0	1.0	1.4	2.0	1.4	2.1	1.2
Plant Operations & Maintenance	17.4	18.4	19.4	20.2	18.2	17.8	18.3	21.3	19.4	18.4
Pupil Transportation	1.3	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Other Support Services	0.0	0.0	1.5	2.4	0.0	0.0	0.0	0.0	0.0	0.0
Food Service	12.3	12.5	12.0	11.5	12.0	13.0	13.0	14.0	14.0	13.0
Total	226.7	234.2	238.2	238.5	219.9	229.1	240.6	245.4	246.2	236.1

Source: District Personnel Records

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Pupil/Teacher Ratio				Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change In Average Daily Enrollment	Student Attendance Percentage
						Early Childhood Learning Center	Elementary	Middle School	Senior High School				
2007	1,654	21,169,841.	12,799.	11.73%	152		11:7	10:5	11:9	1,660	1,579	(2.12)%	95.12%
2008	1,678	21,891,829.	13,046.	1.93%	162		11:1	10:7	11:8	1,676.4	1,606.4	0.99%	95.82%
2009	1,721	22,065,056.	12,821.	(1.72)%	164		11:0	10:5	11:9	1,731.6	1,662.2	3.29%	95.99%
2010	1,661	22,834,897.	13,747.	7.22%	164		10:3	9:9	11:7	1,665.9	1,596.7	(3.79)%	95.85%
2011	1,643	21,271,444.	12,947.	(5.82)%	153		11:1	11:8	11:6	1,680.9	1,616.7	0.90%	96.18%
2012	1,671	22,343,608.	13,371.	3.27%	158		10:3	15:1	13:1	1,699.4	1,632.1	1.10%	96.04%
2013	1,628	23,585,797.	14,488.	8.35%	150.2		9:0	9:0	8:0	1,669.8	1,595.8	(1.74)%	95.57%
2014	1,557	24,838,121.	15,953.	10.11%	153.6	4.0	9:0	12:0	11:0	1,607.32	1,534.76	(3.74)%	95.49%
2015	1,533	25,411,035.	16,576.	3.90%	154.7	12.0	9:0	12:0	12:0	1,591.43	1,511.53	(0.99)%	94.98%
2016	1,527	25,467,909.	16,678.	0.62%	150.1	N/A	N/A	N/A	N/A	1,595.63	1,513.63	0.26%	94.86%

Sources: District records

Note: Enrollment based on annual October district count.

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

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

District Building	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>Elementary</u>										
Mary S. Shoemaker (1958)	56,150	56,150	56,150	56,150	56,150	56,150	56,150	52,853	52,853	52,853
Square Feet	457	457	457	457	457	457	457	423	423	423
Capacity (Students)		495	506	480	490	511	481	415	414	414
Enrollment										
<u>Middle School</u>										
Woodstown Middle School (1950)	161,120	161,120	161,120	161,120	161,120	161,120	161,120	170,621	170,621	170,621
Woodstown High School (1915)	1,019	1,019	1,019	1,019	1,019	1,019	1,019	1,035	1,035	1,035
Square Feet	416	412	413	389	382	400	402	293	293	286
Capacity (Students)	750	771	802	792	771	760	745	710	684	671
Enrollment Middle	1,166	1,183	1,215	1,215	1,153	1,160	1,147	1,003	977	957
Enrollment High School										
Total Enrollment										
<u>Other</u>										
William Riley Early Childhood Center (2013)								16,856	16,856	16,856
Square Feet								131	131	131
Capacity (Students)								139	142	154
Enrollment										
<u>Other:</u>										
Administration Building (1938)	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784
Square Feet										

Number of Schools at June 30, 2016:
 Elementary = 1
 Middle School = 1
 Senior High School = 1
 Early Childhood Center = 1
 Other = 1

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

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

*School Facilities

Project #(s)	Mary Shoemaker	Middle/High School	Early Childhood Learning Center	Unallocated	Total
2007	\$ 25,990.	\$ 48,819.	\$ 0.	\$ 39,581.	\$ 114,390.
2008	48,989.	129,964.	0.	0.	178,953.
2009	23,943.	138,612.	0.	0.	162,555.
2010	39,537.	110,714.	0.	0.	150,251.
2011	13,029.	45,962.	0.	0.	58,991.
2012	233,210.	412,818.	0.	0.	646,028.
2013	50,762.	170,473.	0.	0.	221,235.
2014	91,337.	141,620.	4,865.	0.	237,822.
2015	17,727.	106,778.	4,236.	0.	128,741.
2016	23,711.	116,651.	6,458.	0.	146,820.
Total School Facilities	\$ 568,235.	\$ 1,422,411.	\$ 15,559.	\$ 39,581.	\$ 2,045,786.

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

Source: District records

WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2016
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Utica National Insurance Group:		
Property	\$ 69,386,201.	\$ 1,000.
General Liability	3,000,000.	
Legal Liability	1,000,000.	
Employee Benefit Liability	1,000,000.	1,000.
Automobile Liability	1,000,000.	10,000.
Crime	500,000.	
Inland Marine	1,000,000.	250.
Workers' Compensation	2,000,000.	
Umbrella	10,000,000.	
Abuse or Molestation	1,000,000.	
Earthquake Volcanic Eruption Coverage	1,000,000.	25,000.
Flood	1,015,000.	25,000.
Limited Backup of Sewers or Drain Coverage (not flood related)	500,000.	
Employee Theft	100,000.	500.
Data Processing	1,000,000.	250.
 Berkley Life and Health Insurance Company:		
Student Accident Insurance - Basic	500,000.	1,000.
 Markel Insurance Company:		
Student Insurance - Catastrophic	5,000,000.	25,000.
 Fireman's Fund Insurance Company		
Excess Liability	50,000,000.	
 Western Surety Company:		
Surety Bonds		
Treasurer - James Hackett	220,000.	
Board Secretary - Frank Rizzo	200,000.	

Source: District records

SINGLE AUDIT SECTION

K-1

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

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Woodstown-Pilesgrove Regional School District
County of Salem, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Woodstown-Pilesgrove Regional School District in the County of Salem, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Woodstown-Pilesgrove Regional Board of Education's basic financial statements, and have issued our report thereon dated November 18, 2016.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 weakness 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 Woodstown-Pilesgrove Regional Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of 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.

Respectfully submitted,



Samuel A. Delp, Jr.
Public School Accountant, #745
Triantos & Delp
Certified Public Accountants, LLC

November 18, 2016



CERTIFIED PUBLIC ACCOUNTANTS, LLC

Thinking ahead to
achieve success.

MEMBERS:
• American Institute of
Certified Public Accountants
• New Jersey Society of
Certified Public Accountants

Wayne H. Triantos, CPA
Samuel A. Delp, Jr., CPA

K-2

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

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Woodstown-Pilesgrove Regional School District
County of Salem, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Woodstown-Pilesgrove Regional School District, in the County of Salem, State of New Jersey, 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 Woodstown-Pilesgrove Regional Board of Education's major federal and state programs for the year ended June 30, 2016. Woodstown-Pilesgrove Regional Board of Education'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 each of its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Woodstown-Pilesgrove Regional Board of Education'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance and New Jersey OMB's Circular 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 Woodstown-Pilesgrove Regional Board of Education'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 Woodstown-Pilesgrove Regional Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Board of Education of the Woodstown-Pilesgrove Regional School District, in the County of Salem, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal and state programs for the fiscal year ended June 30, 2016.

Other Matters

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

Report on Internal Control Over Compliance

Management of the Woodstown-Pilesgrove Regional Board of Education 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 Woodstown-Pilesgrove Regional Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with Uniform Guidance, and the New Jersey State Aid/Grant Compliance Supplement, 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 Woodstown-Pilesgrove Regional Board of Education's internal control over compliance.

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

Our consideration of the 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 Uniform Guidance and NJ OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Schedule of Expenditure of State Awards Required by the New Jersey OMB's Circular 15-08

We have audited the financial statements of Board of Education of Woodstown-Pilesgrove Regional School District in the County of Salem, State of New Jersey as of and for the year ended June 30, 2016, and have issued our report thereon dated November 18, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as the whole. The accompanying schedule of expenditures of federal awards and schedule of expenditures of state awards, are presented for purposes of additional analysis as required by the Uniform Guidance and New Jersey OMB's Circular 15-08 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state awards are fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,



Samuel A. Delp, Jr.
Public School Accountant, #745
Triantos & Delp
Certified Public Accountants, LLC

November 18, 2016

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Federal FAIN No.	Grant or State Project Number	Program or Award Amount	Grant Period From To	Balance June 30, 2015	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments
U.S. Department of Education Passed Through State Dept. of Education:										
General Fund:										
Medical Assistance Program	93.778	1605N15MAP	N/A	\$ 31,540.	07/01/15 - 06/30/16	\$ 0.	\$ 0.	\$ 21,902.	\$ (31,540.)	\$ 0.
Medical Assistance Program	93.778	1605N15MAP	N/A	56,072.	07/01/14 - 06/30/15	(31,814.)	0.	31,814.	0.	0.
Total General Fund						(31,814.)	0.	53,716.	(31,540.)	0.
Special Revenue Fund:										
Title I, Part A	84-010A	5010A150030	NCLB-591016	\$ 218,865.	07/01/15 - 06/30/16	0.	0.	190,642.	(208,904.)	0.
Title I, Part A	84.010A	5010A150030	NCLB-591015	212,799.	07/01/14 - 06/30/15	(54,335.)	0.	54,335.	0.	0.
Title II, Part A	84.367A	5367A150029	NCLB-591016	33,631.	07/01/15 - 06/30/16	0.	0.	26,500.	(33,631.)	0.
Title II, Part A	84.367A	5367A150029	NCLB-591015	33,579.	07/01/14 - 06/30/15	(11,023.)	0.	11,023.	0.	0.
Title III	84.365A	5365A150030	NCLB-591016	3,301.	07/01/15 - 06/30/16	0.	0.	3,301.	(3,301.)	0.
I.D.E.A. Part B, Basic	84.027	H027A150100	FT-591016	330,038.	07/01/15 - 06/30/16	0.	0.	330,038.	(330,038.)	0.
I.D.E.A. Pre-School	84.173	H173A150114	PS-591016	4,470.	07/01/15 - 06/30/16	0.	0.	0.	(4,470.)	0.
I.D.E.A. Pre-School	84.173	H173A150114	PS-591015	4,102.	07/01/14 - 06/30/15	(2,953.)	0.	2,953.	0.	0.
Perkins Vocational	84.048A	V048A140030	PERK-591016	7,213.	07/01/15 - 06/30/16	0.	0.	7,213.	(7,213.)	0.
Perkins Vocational	84.048A	V048A140030	PERK-591015	11,215.	07/01/14 - 06/30/15	(4,788.)	0.	4,788.	0.	0.
Total Special Revenue Fund						(73,099.)	0.	630,793.	(587,557.)	0.
U.S. Department of Agriculture Passed Through State Department of Education:										
Enterprise Fund:										
Food Distribution Program	10.555	1616N1304N1099	N/A	\$ 49,111.	07/01/15 - 06/30/16	0.	0.	49,111.	(44,583.)	0.
Food Distribution Program	10.555	1616N1304N1099	N/A	36,203.	07/01/14 - 06/30/15	3,339.	0.	0.	(3,339.)	0.
National School Breakfast Program	10.553	1616N1304N1099	N/A	18,173.	07/01/15 - 06/30/16	0.	0.	16,940.	(18,173.)	0.
National School Breakfast Program	10.553	1616N1304N1099	N/A	15,883.	07/01/14 - 06/30/15	(1,225.)	0.	1,225.	0.	0.
National School Lunch Program	10.555	1616N1304N1099	N/A	164,068.	07/01/15 - 06/30/16	0.	0.	154,796.	(164,068.)	0.
National School Lunch Program	10.555	1616N1304N1099	N/A	162,376.	07/01/14 - 06/30/15	(8,856.)	0.	8,856.	0.	0.
Total Enterprise Fund						(6,742.)	0.	230,928.	(230,163.)	0.
Total Federal Awards						(111,655.)	\$ 0.	\$ 915,437.	\$ (849,260.)	\$ 0.

The Accompanying Notes to Schedules of Expenditures of Federal Awards and Financial Assistance are an Integral Part of this Schedule.

WOODSTOWN-PILES-GROVE REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Federal FAIN No.	Grant or State Project Number	Program or Award Amount	Grant Period		Repayment of Prior Years' Balances	Balance at June 30, 2016		Due to Grantor	Note Reference
					From	To		Accounts Receivable	Deferred Revenue		
U.S. Department of Education Passed Through State Dept. of Education: General Fund:											
Medical Assistance Program	93.778	1605NJ5MAP	N/A	\$ 31,540.	07/01/15	06/30/16	\$ 0.	\$ (9,638.)	\$ 0.	\$ 0.	0.
Medical Assistance Program	93.778	1605NJ5MAP	N/A	56,072.	07/01/14	06/30/15	0.	0.	0.	0.	0.
Total General Fund							0.	(9,638.)	0.	0.	0.
Special Revenue Fund:											
Title I, Part A	84.010A	S010A150030	NCLB-591016	\$ 218,865.	07/01/15	06/30/16	0.	(18,262.)	0.	0.	0.
Title I, Part A	84.010A	S010A150030	NCLB-591015	212,799.	07/01/14	06/30/15	0.	0.	0.	0.	0.
Title II, Part A	84.367A	S367A150029	NCLB-591016	33,631.	07/01/15	06/30/16	0.	(7,131.)	0.	0.	0.
Title II, Part A	84.367A	S367A150029	NCLB-591015	33,579.	07/01/14	06/30/15	0.	0.	0.	0.	0.
Title III	84.365A	S365A150030	NCLB-591016	3,301.	07/01/15	06/30/16	0.	0.	0.	0.	0.
I.D.E.A. Part B, Basic	84.027	H027A150100	FT-591016	330,038.	07/01/15	06/30/16	0.	0.	0.	0.	0.
I.D.E.A. Pre-School	84.173	H173A150114	PS-591016	4,470.	07/01/15	06/30/16	0.	(4,470.)	0.	0.	0.
I.D.E.A. Pre-School	84.173	H173A150114	PS-591015	4,102.	07/01/14	06/30/15	0.	0.	0.	0.	0.
Perkins Vocational	84.048A	V048A140030	PERK-591016	7,213.	07/01/15	06/30/16	0.	0.	0.	0.	0.
Perkins Vocational	84.048A	V048A140030	PERK-591015	11,215.	07/01/14	06/30/15	0.	0.	0.	0.	0.
Total Special Revenue Fund							0.	(29,863.)	0.	0.	0.
U.S. Department of Agriculture Passed Through State Department of Education: Enterprise Fund:											
Food Distribution Program	10.555	1616NJ304N1099	N/A	\$ 49,111.	07/01/15	06/30/16	0.	0.	4,528.	0.	0.
Food Distribution Program	10.555	1616NJ304N1099	N/A	36,203.	07/01/14	06/30/15	0.	0.	0.	0.	0.
National School Breakfast Program	10.553	1616NJ304N1099	N/A	18,173.	07/01/15	06/30/16	0.	(1,233.)	0.	0.	0.
National School Breakfast Program	10.553	1616NJ304N1099	N/A	15,883.	07/01/14	06/30/15	0.	0.	0.	0.	0.
National School Lunch Program	10.555	1616NJ304N1099	N/A	164,068.	07/01/15	06/30/16	0.	(9,272.)	0.	0.	0.
National School Lunch Program	10.555	1616NJ304N1099	N/A	162,376.	07/01/14	06/30/15	0.	0.	0.	0.	0.
Total Enterprise Fund							0.	(10,505.)	4,528.	0.	0.
Total Federal Awards							\$ 0.	\$ (50,006.)	\$ 4,528.	\$ 0.	0.

The Accompanying Notes to Schedules of Expenditures of Federal Awards and Financial Assistance are an Integral Part of this Schedule.

WOODSTOWN-PILES-GROVE REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

State Grantor/Program Title	State Grant or State Project No.	Program or Award Amount	Grant Period		Balance at June 30, 2015		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances
			From	To	Deferred Revenue/ (Accts Receivable)	Due to Grantor				
State Department of Education:										
General Fund:										
Equalization Aid	16-495-034-5120-078	\$ 5,498,561.	07/01/15	06/30/16	\$ 0.	\$ 0.	\$ 0.	\$ 5,498,561.	\$ (5,498,561.)	\$ 0.
Security Aid	16-495-034-5068-084	138,116.	07/01/15	06/30/16	0.	0.	0.	138,116.	(138,116.)	0.
Transportation Aid	16-495-034-5120-014	358,906.	07/01/15	06/30/16	0.	0.	0.	358,906.	(358,906.)	0.
Special Education Categorical Aid	16-495-034-5120-089	680,616.	07/01/15	06/30/16	0.	0.	0.	680,616.	(680,616.)	0.
Adjustment Aid	16-495-034-5120-085	261,105.	07/01/15	06/30/16	0.	0.	0.	261,105.	(261,105.)	0.
Under Adequacy Aid	16-495-034-5120-096	13,257.	07/01/15	06/30/16	0.	0.	0.	13,257.	(13,257.)	0.
PARCC Readiness Aid	16-495-034-5120-098	11,620.	07/01/15	06/30/16	0.	0.	0.	11,620.	(11,620.)	0.
Per Pupil Growth Aid	16-495-034-5120-097	11,620.	07/01/15	06/30/16	0.	0.	0.	11,620.	(11,620.)	0.
Educational Facilities Construction Grant	5910-060-09-1001/1002	31,886.			(28,952.)	0.	0.	28,956.	0.	(14.)
Extraordinary Aid	16-495-034-5120-044	124,417.	07/01/15	06/30/16	0.	0.	0.	0.	(124,417.)	0.
Extraordinary Aid	15-495-034-5120-044	179,421.	07/01/14	06/30/15	(179,421.)	0.	0.	179,421.	0.	0.
On behalf TPAF Post Retirement Medical	16-495-034-5095-001	986,942.	07/01/15	06/30/16	0.	0.	0.	986,942.	(986,942.)	0.
On behalf TPAF Pension	16-495-034-5095-002	828,859.	07/01/15	06/30/16	0.	0.	0.	828,859.	(828,859.)	0.
Reimbursed TPAF Social Security Contributions	16-495-034-5095-003	803,698.	07/01/15	06/30/16	0.	0.	0.	751,899.	(790,868.)	0.
Reimbursed TPAF Social Security Contributions	15-495-034-5095-003	803,698.	07/01/14	06/30/15	(78,222.)	0.	0.	78,222.	0.	0.
Additional Non-Public Trans	16-495-034-5120	10,316.	07/01/15	06/30/16	0.	0.	0.	0.	(12,770.)	0.
Additional Non-Public Trans	15-495-034-5120	10,316.	07/01/14	06/30/15	(10,316.)	0.	0.	10,316.	0.	0.
Total General Fund					(296,911.)	0.	0.	9,838,426.	(9,717,657.)	(14.)
Special Revenue Fund:										
Preschool Education Aid	15-495-034-5120-086	33,000.	07/01/15	06/30/16	0.	0.	0.	33,000.	(33,000.)	0.
State Department of Agriculture:										
Case Grant		5,000.	07/01/13	06/30/14	0.	0.	0.	0.	(10,000.)	0.
Total Special Revenue Fund					0.	0.	0.	33,000.	(43,000.)	0.
Capital Project Fund:										
Educ facilities const & financing act.:										
Woodstown HS HVAC, Vertical, Electrical, Plumbing	5910-050-14-1001	7,150,799.			(58,393.)	0.	0.	0.	(1,305,146.)	0.
Shoemaker Elementary HVAC, Vertical, Electrical, Plumbing	5910-060-14-1002	787,500.			(22,513.)	0.	0.	0.	(395,647.)	0.
Total Capital Project Fund					(80,906.)	0.	0.	0.	(1,700,793.)	0.
State Department of Agriculture:										
Enterprise Fund:										
National School Lunch Program (State Share)	16-100-010-3350-023	5,076.	07/01/15	6/30/16	0.	0.	0.	4,795.	(5,076.)	0.
National School Lunch Program (State Share)	15-100-010-3350-023	5,612.	07/01/14	6/30/15	(286.)	0.	0.	286.	0.	0.
Total Enterprise Fund					(286.)	0.	0.	5,081.	(5,076.)	0.
Total State Financial Assistance					\$ (378,103.)	\$ 0.	\$ 0.	\$ 9,876,507.	\$ (11,466,526.)	\$ (14.)

The Accompanying Notes to the Schedule of Federal Awards and Financial Assistance are an Integral Part of this Schedule

WOODSTOWN-PILEGROVE REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

State Grantor/Program Title	Grant or State Project No.	Program or Award Amount	Grant Period		Balance at June 30, 2016			MEMO	
			From	To	(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:									
General Fund:									
Equalization Aid	16-495-034-5120-078	\$ 5,498,561.	07/01/15 - 6/30/16	\$ 0.	\$ 0.	\$ 0.	529,594.	\$ 5,498,561.	
Security Aid	16-495-034-5068-084	138,116.	07/01/15 - 6/30/16	0.	0.	0.	13,812.	138,116.	
Transportation Aid	16-495-034-5120-014	358,906.	07/01/15 - 6/30/16	0.	0.	0.	35,891.	358,906.	
Special Education Categorical Aid	16-495-034-5120-089	680,616.	07/01/15 - 6/30/16	0.	0.	0.	68,062.	680,616.	
Adjustment Aid	16-495-034-5120-085	261,105.	07/01/15 - 6/30/16	0.	0.	0.	26,111.	261,105.	
Under Adequacy Aid	16-495-034-5120-096	13,257.	07/01/15 - 6/30/16	0.	0.	0.	1,326.	13,257.	
PARCC Readiness Aid	16-495-034-5120-098	11,620.	07/01/15 - 6/30/16	0.	0.	0.	1,162.	11,620.	
Per Pupil Growth Aid	16-495-034-5120-097	11,620.	07/01/15 - 6/30/16	0.	0.	0.	1,162.	11,620.	
Educational Facilities Construction Grant	5910-060-09-1001/1002	31,886.		0.	0.	0.	0.	0.	
Extraordinary Aid	16-495-034-5120-044	124,417.	07/01/15 - 6/30/16	(124,417.)	0.	0.	0.	124,417.	
Extraordinary Aid	15-495-034-5120-044	179,421.	07/01/14 - 6/30/15	0.	0.	0.	0.	0.	
On behalf TPAF Post Retirement Medical	16-495-034-5095-001	986,942.	07/01/15 - 6/30/16	0.	0.	0.	0.	986,942.	
On behalf TPAF Pension	16-495-034-5095-002	828,859.	07/01/15 - 6/30/16	0.	0.	0.	0.	828,859.	
Reimbursed TPAF Social Security Contributions	16-495-034-5095-003	803,698.	07/01/15 - 6/30/16	(38,969.)	0.	0.	0.	790,868.	
Reimbursed TPAF Social Security Contributions	15-495-034-5095-003	803,698.	07/01/14 - 6/30/15	(12,770.)	0.	0.	0.	0.	
Additional Non-Public Trans	16-495-034-5120	10,316.	07/01/15 - 6/30/16	0.	0.	0.	0.	12,770.	
Additional Non-Public Trans	15-495-034-5120	10,316.	07/01/14 - 6/30/15	(176,156.)	0.	0.	677,118.	9,717,657.	
Total General Fund									
Special Revenue Fund:									
Preschool Education Aid	15-495-034-5120-086	33,000.	07/01/15 - 6/30/16	0.	0.	0.	3,300.	33,000.	
State Department of Agriculture:									
Case Grant		5,000.	07/01/13 - 6/30/14	(10,000.)	0.	0.	0.	10,000.	
Total Special Revenue Fund				(10,000.)	0.	0.	3,300.	43,000.	
Capital Project Fund:									
Educ facilities const & financing act:									
Woodstown HS HVAC, Vertical, Electrical, Plumbing	5910-050-14-1001	\$ 7,150,799.		(1,363,539.)	0.	0.	0.	1,305,146.	
Shoemaker Elementary HVAC, Vertical, Electrical, Plumbing	5910-060-14-1002	787,500.		(418,160.)	0.	0.	0.	395,647.	
Total Capital Project Fund				(1,781,699.)	0.	0.	0.	1,700,793.	
State Department of Agriculture:									
Enterprise Fund:									
National School Lunch Program (State Share)	16-100-010-3350-023		07/01/15 - 06/30/16	(281.)	0.	0.	0.	5,076.	
National School Lunch Program (State Share)	15-100-010-3350-023	\$ 5,612	07/01/14 - 06/30/15	0.	0.	0.	0.	0.	
Total Enterprise Fund				(281.)	0.	0.	0.	5,076.	
Total State Financial Assistance				\$ (1,968,136.)	\$ 0.	\$ 0.	\$ 680,418.	\$ 11,466,526.	

The Accompanying Notes to the Schedule of Federal Awards and Financial Assistance are an Integral Part of this Schedule

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2016

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Woodstown-Pilesgrove Regional School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of the Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the 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 payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrance 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 (\$8,893) for the general fund, \$9,156 for the special revenue fund, and \$1,700,792 for the capital projects fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, special revenue funds, and capital projects fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 31,540.	\$ 9,708,674.	\$ 9,740,214.
Special Revenue Fund	596,713.	33,000.	629,713.
Capital Projects Fund	0.	1,700,792.	1,700,792.
Food Service Fund	231,352.	5,076.	236,428.
Total Financial Assistant	<u>\$ 859,605.</u>	<u>\$ 11,447,542.</u>	<u>\$ 12,307,147.</u>

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2016

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.

NOTE 6. SUBRECIPIENTS

The District had no expenditures to subrecipients during the year ended June 30, 2016

NOTE 7. INDIRECT COSTS

The District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- 1. Material weakness(es) identified? Yes No
- 2. Significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported

Noncompliance material to general purpose financial statements noticed? Yes No

Federal Awards

Internal Control over major programs:

- 1. Material weakness(es) identified? Yes No
- 2. Significant deficiencies identified that are considered to be material weaknesses? Yes None Reported

Type of auditor’s report issued on compliance for major programs? Unmodified

Any audit findings disclosed that are required to be reported in accordance with section .516(a) of 2 CFR 200? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I

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

Auditee qualified as low-risk auditee? Yes No

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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

Internal Control over major programs:

1. Material weakness(es) identified? Yes x No

2. Significant deficiencies identified that are not considered to be material weaknesses? 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>
495-034-5120-084	Security Aid
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Aid
495-034-5120-085	Adjustment Aid
495-034-5120-096	Under Adequacy Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-5120-098	PARCC Readiness Aid
5910-050-14-1001	Education Facilities Construction & Financing Act
5910-060-14-1002	Education Facilities Construction & Financing Act

Section II – Financial Statement Findings

None

WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

*Section III – Federal Awards and State Financial Assistance
Findings and Questioned Costs*

Federal Awards

Finding:

2016-01

Information on the federal program:

U.S. Department of Education
 Passed through NJ Department of Education
 Title I CFDA No. 84.010

Criteria or specific requirement:

OMB Circular A-87, Attachment B requires that salaries charged to a federal program be supported by periodic certifications that the employees worked on the program. The certifications should include personal activity reports documenting actual after-the-fact activities. The certificates should be signed by the employee and supervisor.

Condition:

The salaries being charged to the federal Title I program were supported by periodic certifications as required. However, the certifications were not signed by the employee.

Questioned Costs:

None

Context:

The salary of the employees charged to the program were supported by periodic certifications, but the certifications were not signed.

Effect:

The required documentation to support the salaries of the employees charged to the program were not signed by the employees.

Cause:

District officials were not aware that the certifications should be signed by the employees.

Recommendation:

That all salaries charged to all federal programs be supported by periodic certifications and personal activity reports as required and that all certifications be signed by the employees and supervisors.

Views of responsible officials and planned corrective action:

The district officials concur with the finding and will make the necessary corrections to provide the required supporting documentation.

State Awards

None Reported

WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

STATUS OF PRIOR YEAR FINDINGS

None Reported