

Comprehensive Annual Financial Report

of the

Gloucester City School District



Gloucester City, New Jersey

**For The Fiscal Year Ended
June 30, 2017**

GLOUCESTER CITY SCHOOL DISTRICT
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INTRODUCTORY SECTION

Gloucester City Board of Education
1300 Market Street
Gloucester City, New Jersey 08030
Phone: (856) 456-7000 Fax: (856) 456-0327

November 27, 2017

Honorable President and
Members of the Board of Education
Gloucester City School District
Gloucester City, New Jersey 08030

Dear Board Members:

The comprehensive annual financial report of the Gloucester City School District for the fiscal year ended June 30, 2017, 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 School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business type activities, and each major fund 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 Management's Discussion and Analysis and the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Treasury Circular 15-08-OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.*" Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and questioned costs, is included in the single audit section of this report.

(1) REPORTING ENTITY AND ITS SERVICES:

Gloucester City School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All major funds of the District are included in this report. The Gloucester City School District and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels PreK through Adult High School. These include regular, vocational as well as special education for handicapped students. 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>Students</u>	<u>Percent Change</u>
2016-2017	2278	+1.7
2015-2016	2239	+6.1
2014-2015	2110	+1.1
2013-2014	2086	+0.5
2012-2013	2075	-0.1
2011-2012	2077	+2.1
2010-2011	2035	-4.8
2009-2010	2137	+2.7
2008-2009	2080	-1.6
2007-2008	2115	+0.9

(2) ECONOMIC CONDITION AND OUTLOOK:

The City of Gloucester has a major marine terminal and is populated with many small businesses. The City is aggressive in its efforts to redevelop its former industrial area known as Southport. The City of Gloucester and the surrounding communities are essentially developed with regard to housing.

(3) MAJOR INITIATIVES:

All students in the Gloucester City School District will have the opportunity to have a thorough and efficient education by achieving through:

- Exemplary Instructional Programs and Best Practices
- Safe and Secure Schools
- A School Community involved in Meaningful Ways
- Effective and Efficient Management and Operations

Mission Statement

The educational process of the Gloucester City Public School District is the embodiment of visionary leadership, involved community, and individual needs. It is characterized by a holistic approach, by technological innovation, and by the development of socially responsible citizens. All students in the Gloucester City School District will be able to demonstrate the skills as outlined in the New Jersey Core Curriculum Content Standards (Common Core State Standards). The students of the Gloucester City Schools will become contributing members of a changing economy and be prepared and committed to life long learning.

(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 accounting principles generally accepted in the United States of America (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 is also 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. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service 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 appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assignments of fund balance at June 30.

(6) ACCOUNTING SYSTEM AND REPORTS:

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

(7) FINANCIAL INFORMATION AT FISCAL YEAR-END:

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

(8) CASH MANAGEMENT:

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

(9) RISK MANAGEMENT:

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

(10) INDEPENDENT AUDIT:

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP was selected by the District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the State Treasury Circular 15-08-OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." The auditor's report on the basic financial statements, required supplemental information and supplemental information are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

(11) ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Gloucester City School District Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the 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 Business Office staff.

Respectfully Submitted,



Dennis M. Vespe, Ed.D.
Superintendent

Respectfully Submitted,



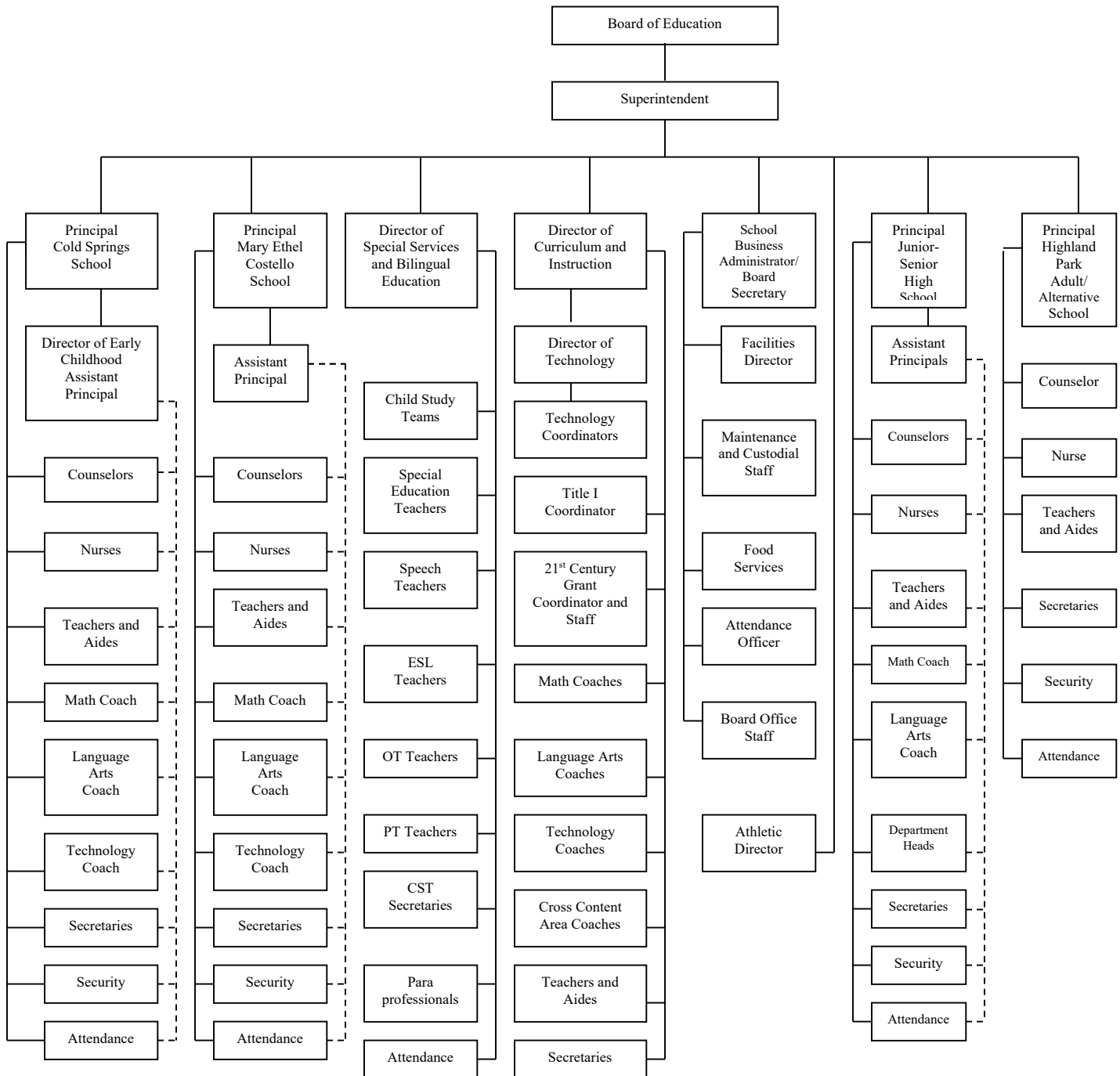
Margaret M. McDonnell
Business Administrator/Board Secretary

POLICY

GLOUCESTER CITY BOARD OF EDUCATION

ADMINISTRATION
1110/page 1 of 1
Organizational Chart

1110 ORGANIZATIONAL CHART



Adopted: 14 August 2013



GLOUCESTER CITY SCHOOL DISTRICT

ROSTER OF OFFICIALS

June 30, 2017

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Edward Hubbs - President	2019
Stephanie Cohan - Vice President	2017
Jacqueline Borger	2017
Rich Dolson	2017
John Driscoll	2018
Leon Harris	2019
Bill Johnson	2018
Shawn Spotts	2019
Michelle Wright	2018

OTHER OFFICIALS

Dr. Dennis Vespe, Superintendent

Joseph G. Rafferty, Superintendent (Retired 8/31/17)

Margaret M. McDonnell, Board Secretary/School Business Administrator

Frank J. Robertson, Treasurer

Christian McGrory, Board Representative of Brooklawn

GLOUCESTER CITY SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

June 30, 2017

AUDIT FIRM

Bowman & Company LLP
Certified Public Accountants & Consultants
6 North Broad Street, Suite 201
Woodbury, New Jersey 08096

ATTORNEY

Frank P. Cavallo, Jr.
Parker McCay P.A.
9000 Midlantic Drive, Suite 300
P.O. Box 5054
Mount Laurel, New Jersey 08054

OFFICIAL DEPOSITORY

PNC Bank
Monmouth Street
Gloucester City, NJ 08030

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Gloucester City School District
Gloucester City, New Jersey 08030

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Gloucester City School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Administration and 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 School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles 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.

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 Gloucester City School District, in the County of Camden, State of New Jersey, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

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

Other Information

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

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

The introductory section and statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, 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 27, 2017 on our consideration of the Gloucester City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Gloucester City School District's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Fred S. Caltabiano

Fred S. Caltabiano
Certified Public Accountant
Public School Accountant No. CS00238100

Woodbury, New Jersey
November 27, 2017

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Gloucester City School District
Gloucester City, New Jersey 08030

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and 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 Gloucester City School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 27, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Gloucester City School District'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 Division of Administration and 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* and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Fred S. Caltabiano

Fred S. Caltabiano
Certified Public Accountant
Public School Accountant No. CS00238100

Woodbury, New Jersey
November 27, 2017

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

GLOUCESTER CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

The Management's Discussion and Analysis (MD&A) of the Gloucester City School District's (District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2017 and 2016. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the notes to the basic financial statements, and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- The total assets and deferred outflows of resources of the District exceeded its total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$65,428,355.38 (net position).
- During FY17, the State of NJ Schools Development Authority completed the construction of a New Middle School and donated it to the District.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$7,357,070.25, a decrease of \$241,684.46 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic 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 *government-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 government-wide statements.
- *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 the District operates *like businesses*, such as food services.
- *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.

GLOUCESTER CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited) (Cont'd)

Overview of the Financial Statements (Cont'd)

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by the 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 government-wide statements report the District's net position and how it has changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health or position.

- Increase or decrease in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health or position of the District, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

- *Governmental activities* – The basic services, such as instruction for regular and special education, maintenance and operations, transportation and administration are included as government activities. Property taxes, state aid and fund balance appropriated finance most of these activities.
- *Business-type activities* – The District charges fees to cover the costs of certain services such as food services.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on the significant funds – not the District as a whole. Funds are used by the District to keep track of specific sources of funding and spending on particular programs:

- May distinguish state or federal grants.
- Funds for capital projects and long-term debt.

The District has three kinds of funds:

- *Governmental funds* – The District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- *Proprietary funds* – These funds represent charges or fees for such activities as food services.

GLOUCESTER CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited) (Cont'd)

Overview of the Financial Statements (Cont'd)

Fund Financial Statements (Cont'd)

- *Fiduciary funds* – The District is the trustee for assets that belong to others. The student activities funds which include clubs, classes, athletics, and scholarship funds are maintained in this fund. The District is responsible for insuring that the assets reported in these funds are used only for their intended purposes. These funds are not included in the government-wide financial statements since the District is not permitted to use these assets in the District operation.
- *Notes to the Financial Statement* - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Financial Analysis of the District as a Whole

Table 1 provides a summary of the District's net position for fiscal years 2017 and 2016.

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 8,964,405	\$ 9,220,726	\$ (256,320)	-2.78%
Capital Assets	<u>80,355,320</u>	<u>38,635,399</u>	<u>41,719,921</u>	<u>107.98%</u>
Total Assets	<u>89,319,725</u>	<u>47,856,125</u>	<u>41,463,600</u>	<u>86.64%</u>
Deferred Outflow of Resources	<u>7,039,999</u>	<u>3,538,302</u>	<u>3,501,697</u>	<u>98.97%</u>
Long-Term Liabilities	27,961,198	24,506,081	3,455,118	14.10%
Other Liabilities	<u>2,970,171</u>	<u>1,969,168</u>	<u>1,001,002</u>	<u>50.83%</u>
Total Liabilities	<u>30,931,369</u>	<u>26,475,249</u>	<u>4,456,120</u>	<u>16.83%</u>
Deferred Inflow of Resources	<u>-</u>	<u>257,600</u>	<u>(257,600)</u>	<u>-100.00%</u>
Net Position:				
Net Investment in Capital Assets	73,822,477	31,113,158	42,709,319	137.27%
Restricted	6,107,866	6,252,199	(144,333)	-2.31%
Unrestricted (Deficit)	<u>(14,501,987)</u>	<u>(12,703,779)</u>	<u>(1,798,208)</u>	<u>14.15%</u>
Total Net Position	<u>\$ 65,428,355</u>	<u>\$ 24,661,578</u>	<u>\$ 40,766,778</u>	<u>165.30%</u>

GLOUCESTER CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited) (Cont'd)

Financial Analysis of the District as a Whole (Cont'd)

Table 2 reflects changes in net position for fiscal years 2017 and 2016.

Revenues:	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Change</u>	<u>% Change</u>
Program revenues:				
Charges for services	\$ 1,405,200	\$ 1,370,197	\$ 35,003	2.55%
Operating grants and contributions	20,140,709	16,774,441	3,366,267	20.07%
General Revenues:				
Property taxes	5,770,893	4,778,774	992,119	20.76%
Federal & State Grants	30,652,135	30,629,426	22,709	0.07%
Other	255,765	257,741	(1,976)	-0.77%
Total Revenues	<u>58,224,702</u>	<u>53,810,579</u>	<u>4,414,123</u>	<u>8.20%</u>
Expenses:				
Governmental activities				
Instruction	20,205,427	19,641,587	563,840	2.87%
Tuition	2,257,385	2,371,690	(114,306)	-4.82%
Related Services	5,912,399	5,938,597	(26,198)	-0.44%
Administrative services	2,660,081	2,688,333	(28,252)	-1.05%
Operations and maintenance	3,532,371	3,472,867	59,504	1.71%
Transportation	1,393,070	957,064	436,005	45.56%
Employee benefits	22,549,690	17,730,137	4,819,553	27.18%
Charter School	170,530	291,237	(120,707)	-41.45%
Interest on debt	201,136	253,062	(51,926)	-20.52%
Unallocated depreciation	515,281	409,946	105,335	25.69%
Total governmental activities expenses	<u>59,397,368</u>	<u>53,754,520</u>	<u>5,642,849</u>	<u>10.50%</u>
Business Type Activities				
Food Service	<u>1,324,179</u>	<u>1,328,697</u>	<u>(4,518)</u>	<u>-0.34%</u>
Total Expenses	<u>60,721,548</u>	<u>55,083,217</u>	<u>5,638,331</u>	<u>10.24%</u>
Special Item	43,263,624	-	43,263,624	
Net Increase (Decrease) in Net Position	40,766,778	(1,272,639)	42,039,416	
Beginning Net Position	<u>24,661,578</u>	<u>25,934,216</u>	<u>(1,272,639)</u>	
Ending Net Position	<u>\$ 65,428,355</u>	<u>\$ 24,661,578</u>	<u>\$ 40,766,778</u>	

GLOUCESTER CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited) (Cont'd)

Financial Analysis of the District as a Whole (Cont'd)

Governmental-Type Activities

- Property taxes increased \$992,119.00 or 20.76% from the prior year. Most of this increase is the product of funding general fund services and programs. Property taxes had increased by \$717,000.00 or 17.65% from the 14-15 to the 15-16 school year.
- Total Expenses (GASB level) increased \$5,642,848.74 or 10.50% from the prior year.
 - Employee benefits expenses, which include Health Benefits and Pension, increased by \$4,819,553.00 or 27.18% compared to the 2015-2016 fiscal year. \$4,354,912.00 of the \$4,819,553.00 is related to GASB 68.
 - Total Salaries charged to the 2016-2017 General and Special Revenue Fund budgets increased by \$168,801.42 or 0.75% compared to 2015-2016 (\$22,593,162.63 - \$22,424,361.21).

Business-Type Activities

- There was a decrease of \$2,827.62 or -0.49% in business-type activities net position.
- Expenses for business-type activities decreased by \$4,518.15 or -0.34%, revenues decreased by \$1,111.04 or -0.08%.

General Fund Budgetary Highlights

During the course of the 2017 fiscal year, the District modified its general fund budget numerous times.

The final budgetary basis anticipated revenue was \$36,417,372.00, actual revenues were \$42,007,945.07.

During fiscal year 2017, the District budgeted \$5,227,609.00 and \$30,108,192.00 for property taxes (local tax levy) and state aid revenues, respectively. The District also received \$1,574,771.00, \$1,823,883.00, \$66,083.00, 2,989.00, and \$1,192,848.09 in TPAF Post-Retirement Medical Benefits, TPAF Pension Contributions, TPAF Non-Contributory Insurance, Long-Term Disability Insurance, and reimbursed TPAF Social Security Aid, respectively.

The final budgetary basis appropriations were \$42,398,124.34, actual expenditures were \$42,126,364.78.

The District's expenditures also include \$1,574,771.00, \$1,823,883.00, \$66,083.00, 2,989.00, and \$1,192,848.09 in TPAF Post-Retirement Medical Benefits, TPAF Pension Contributions, TPAF Non-Contributory Insurance, Long-Term Disability Insurance, and reimbursed TPAF Social Security Aid, respectively, which contribute to an unfavorable expenditure variance for the fiscal year.

GLOUCESTER CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited) (Cont'd)

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$7,357,070.25, a decrease of \$241,684.46 in comparison with the prior year.

Of the combined ending fund balances of \$7,357,070.25, (\$2,048,072.03) constitutes unassigned (deficit) fund balance (does not include final state aid payments of \$3,306,427.00). The remainder of fund balance is either restricted or assigned to indicate that it is not available for new spending because it has already been committed. For example, to liquidate contracts and purchase orders of the prior period fund balance of \$784,621.49 is assigned.

The general fund is the main operating fund of the District. At the end of the current fiscal year, unassigned (deficit) fund balance of the general fund was (\$1,789,383.03) (does not include final state aid payments of \$3,047,738.00), while total fund balance was \$7,615,758.46.

The fund balance of the District's general fund at June 30, 2017 fund decreased by \$320,907.71 over the previous year.

Proprietary Funds - The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position in the food service program was \$406,336.08 compared to \$383,912.70 in the prior year. Other factors concerning the finance of this fund have already been addressed in the discussion of the District's business-type activities.

Operating and non-operating revenues were \$289,804.15 and \$1,031,367.65, respectively. Operating expenses were \$1,324,179.34.

GLOUCESTER CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited) (Cont'd)

Capital Asset and Debt Administration

Capital Assets - The District's investment in capital assets for its governmental and business-type activities as of June 30, 2017 amounts to \$80,355,320 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, and equipment.

During FY17, the State of NJ Schools Development Authority completed the construction of a New Middle School and donated it to the District.

Table 3 is a summary of capital assets for fiscal years 2017 and 2016.

Capital Assets (Net of Depreciation):	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Land	\$ 2,799,583	\$ 2,799,583
Equipment	11,864,755	7,517,758
Building and Improvements	93,804,824	53,827,076
Land Improvements	<u>2,398,669</u>	<u>2,395,919</u>
Total Capital Assets	<u>110,867,831</u>	<u>66,540,336</u>
Less: Accumulated Depreciation	<u>(30,512,511)</u>	<u>(27,904,937)</u>
Net Capital Assets	<u>\$ 80,355,320</u>	<u>\$ 38,635,399</u>

Additional information on the District's capital assets can be found in Note 6.

Long-term Debt - At the end of the current fiscal year, the District had total bonded debt outstanding of \$6,425,000.00 (debt outstanding end of prior year was \$7,310,000.00). The entire District's bonded debt is governmental as opposed to business-type. Bonds mature all the way to 2024.

GLOUCESTER CITY SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited) (Cont'd)

Economic Factors and Next Year's Budget

For the 2016-17 school year, the District was able to sustain its budget through property taxes, federal and state aid, and miscellaneous revenue sources.

One of the most important factors affecting the District's budget is state aid. The 2017-18 budget was adopted with a general fund tax levy increase of \$445,298.00; based in part on the state aid the District anticipates receiving. The anticipated state aid general fund amount was the same compared to the prior year. The 2017-18 budget was adopted with a debt service fund tax levy decrease of \$23,232.00.

Summary of budgeted state aid revenue anticipated - general fund

<u>Fiscal Year</u>	<u>Amount</u>	<u>Change</u>	
2017-2018	\$ 30,108,192	-0-	**
2016-2017	30,108,192	\$ 33,700	
2015-2016	30,074,492	-0-	
2014-2015	30,074,492	36,080	
2013-2014	30,038,412	393,681	
2012-2013	29,644,731		

** = \$512,655.00 was rescinded after adopted

Any reduction of state aid and increase in expenditures will put an additional burden on the taxpayers of Gloucester City.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and 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 Margaret M. McDonnell, Board Secretary/School Business Administrator at:

Gloucester City School District
520 Cumberland Street
Gloucester City, New Jersey 08030

BASIC FINANCIAL STATEMENTS

GOVERNMENT - WIDE FINANCIAL STATEMENTS

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Net Position
June 30, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 7,855,829.64	\$ 348,088.47	\$ 8,203,918.11
Receivables, net	680,792.68	60,847.82	741,640.50
Inventory		18,846.59	18,846.59
Capital Assets, net (Note 6)	<u>80,182,365.55</u>	<u>172,954.00</u>	<u>80,355,319.55</u>
Total Assets	<u>88,718,987.87</u>	<u>600,736.88</u>	<u>89,319,724.75</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	6,998,240.00		6,998,240.00
Deferred Loss on Defeasance of Debt	<u>41,759.24</u>		<u>41,759.24</u>
Total Deferred Outflows of Resources	<u>7,039,999.24</u>	<u>-</u>	<u>7,039,999.24</u>
LIABILITIES:			
Accounts Payable:			
Other	1,053,344.46		1,053,344.46
Related to Pension	619,771.00		619,771.00
Due Other Governments	140,207.61		140,207.61
Accrued Interest	80,090.63		80,090.63
Internal Balances	(14,000.00)	14,000.00	-
Unearned Revenue		7,446.80	7,446.80
Noncurrent Liabilities (Note 7):			
Due within One Year	1,069,309.82		1,069,309.82
Due beyond One Year	<u>27,961,198.29</u>		<u>27,961,198.29</u>
Total Liabilities	<u>30,909,921.81</u>	<u>21,446.80</u>	<u>30,931,368.61</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)			-
NET POSITION:			
Net Investment in Capital Assets	73,649,522.76	172,954.00	73,822,476.76
Restricted for:			
Debt Service	0.79		0.79
Capital Projects	2,238,716.00		2,238,716.00
Other Purposes	3,869,149.00		3,869,149.00
Unrestricted (Deficit)	<u>(14,908,323.25)</u>	<u>406,336.08</u>	<u>(14,501,987.17)</u>
Total Net Position	<u>\$ 64,849,065.30</u>	<u>\$ 579,290.08</u>	<u>\$ 65,428,355.38</u>

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

GLOUCESTER CITY SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2017

Functions / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 15,335,393.74	\$ 1,115,396.01	\$ 3,623,948.43	\$ (10,596,049.30)	\$ -	\$ (10,596,049.30)
Special Education	4,145,327.51			(4,145,327.51)		(4,145,327.51)
Other Instruction	724,705.52			(724,705.52)		(724,705.52)
Support Services:						
Tuition	2,257,384.64			(2,257,384.64)		(2,257,384.64)
Student and Instruction Related Services	5,912,399.05		2,194,087.37	(3,718,311.68)		(3,718,311.68)
General Administrative Services	687,162.82			(687,162.82)		(687,162.82)
School Administrative Services	1,398,789.95			(1,398,789.95)		(1,398,789.95)
Central Services / Admin. Information Technology	574,128.49			(574,128.49)		(574,128.49)
Plant Operations and Maintenance	3,532,370.66			(3,532,370.66)		(3,532,370.66)
Pupil Transportation	1,393,069.50			(1,393,069.50)		(1,393,069.50)
Unallocated Benefits	22,549,689.70		12,725,961.09	(9,823,728.61)		(9,823,728.61)
Charter School	170,530.00			(170,530.00)		(170,530.00)
Interest on Long-Term Debt	201,136.08		565,344.00	364,207.92		364,207.92
Unallocated Depreciation	515,280.80			(515,280.80)		(515,280.80)
Total Governmental Activities	59,397,368.46	1,115,396.01	19,109,340.89	(39,172,631.56)	-	(39,172,631.56)
Business-Type Activities:						
Food Service	1,324,179.34	289,804.15	1,031,367.65		(3,007.54)	(3,007.54)
Total Business-Type Activities	1,324,179.34	289,804.15	1,031,367.65	-	(3,007.54)	(3,007.54)
Total Government	\$ 60,721,547.80	\$ 1,405,200.16	\$ 20,140,708.54	(39,172,631.56)	(3,007.54)	(39,175,639.10)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				5,227,609.00		5,227,609.00
Property Taxes, Levied for Debt Service				543,284.00		543,284.00
Federal and State Aid - Unrestricted				30,652,134.83		30,652,134.83
Miscellaneous				255,585.18	179.92	255,765.10
Special Item:						
State of NJ Schools Development Authority - Construction of New Middle School (see note 6)				43,263,624.00		43,263,624.00
Total General Revenues and Special Item				79,942,237.01	179.92	79,942,416.93
Change in Net Position				40,769,605.45	(2,827.62)	40,766,777.83
Net Position -- July 1				24,079,459.85	582,117.70	24,661,577.55
Net Position -- June 30				\$ 64,849,065.30	\$ 579,290.08	\$ 65,428,355.38

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

FUND FINANCIAL STATEMENTS

GLOUCESTER CITY SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 7,855,828.85	\$ -	\$ -	\$ 0.79	\$ 7,855,829.64
Interfunds Receivable	135,238.95				135,238.95
Intergovernmental Accounts Receivable:					
Federal		75,504.53			75,504.53
State	565,054.76	2,113.92			567,168.68
Other	38,119.47				38,119.47
Total Assets	<u>\$ 8,594,242.03</u>	<u>\$ 77,618.45</u>	<u>\$ -</u>	<u>\$ 0.79</u>	<u>\$ 8,671,861.27</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Interfunds Payable	\$ -	\$ 121,238.95	\$ -	\$ -	\$ 121,238.95
Accounts Payable	978,483.57	74,860.89			1,053,344.46
Due Other Governments		140,207.61			140,207.61
Total Liabilities	<u>978,483.57</u>	<u>336,307.45</u>	<u>-</u>	<u>-</u>	<u>1,314,791.02</u>
Fund Balances:					
Restricted:					
Capital Reserve	2,238,716.00				2,238,716.00
Maintenance Reserve	3,289,149.00				3,289,149.00
Tuition Reserve	180,000.00				180,000.00
Emergency Reserve	400,000.00				400,000.00
Debt Service				0.79	0.79
Assigned:					
Other Purposes	784,621.49				784,621.49
Designated for Subsequent Year's Expenditures	2,512,655.00				2,512,655.00
Unassigned (Deficit)	(1,789,383.03)	(258,689.00)			(2,048,072.03)
Total Fund Balances	<u>7,615,758.46</u>	<u>(258,689.00)</u>	<u>-</u>	<u>0.79</u>	<u>7,357,070.25</u>
Total Liabilities and Fund Balances	<u>\$ 8,594,242.03</u>	<u>\$ 77,618.45</u>	<u>\$ -</u>	<u>\$ 0.79</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$110,205,004.55 and the accumulated depreciation is \$30,022,639.00.	80,182,365.55
Interest on long-term debt in the statement of activities is accrued, regardless of when due.	(80,090.63)
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.	(7,621,151.11)
Deferred Loss on Defeasance of Debt	41,759.24
Net Pension Liability	(21,409,357.00)
Accounts Payable related to the April 1, 2018 Required PERS pension contribution that is not liquidated with current financial resources.	(619,771.00)
Deferred Outflows of Resources - Related to Pensions	6,998,240.00
Deferred Inflows of Resources - Related to Pensions	-
Net Position of Governmental Activities	<u><u>\$ 64,849,065.30</u></u>

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

GLOUCESTER CITY SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Tax Levy	\$ 5,227,609.00	\$ -	\$ -	\$ 543,284.00	\$ 5,770,893.00
Tuition Charges	1,115,396.01				1,115,396.01
Unrestricted Miscellaneous Revenues	255,585.18				255,585.18
State Sources	35,173,384.09	4,072,967.31		565,344.00	39,811,695.40
Federal Sources	133,402.79	1,750,990.53			1,884,393.32
Total Revenues	41,905,377.07	5,823,957.84	-	1,108,628.00	48,837,962.91
EXPENDITURES:					
Current:					
Regular Instruction	9,907,962.51	3,623,948.43			13,531,910.94
Special Education Instruction	4,145,327.51				4,145,327.51
Other Instruction	724,705.52				724,705.52
Support Services and Undistributed Costs:					
Tuition	2,257,384.64				2,257,384.64
Student and Instruction Related Services	3,718,311.68	2,194,087.37			5,912,399.05
General Administrative Services	558,342.62				558,342.62
School Administrative Services	1,398,789.95				1,398,789.95
Central Services / Admin. Information Tech.	445,308.29				445,308.29
Plant Operations and Maintenance	3,532,370.66				3,532,370.66
Pupil Transportation	1,393,069.50				1,393,069.50
Unallocated Benefits	12,841,113.39				12,841,113.39
Charter School	170,530.00				170,530.00
Debt Service:					
Principal				885,000.00	885,000.00
Interest and Other Charges				225,443.75	225,443.75
Capital Outlay	1,033,148.51	24,803.04			1,057,951.55
Total Expenditures	42,126,364.78	5,842,838.84	-	1,110,443.75	49,079,647.37
Excess (Deficiency) of Revenues over Expenditures	(220,987.71)	(18,881.00)	-	(1,815.75)	(241,684.46)
OTHER FINANCING SOURCES (USES):					
Operating Transfers In		99,920.00			99,920.00
Operating Transfers Out	(99,920.00)				(99,920.00)
Total Other Financing Sources and Uses	(99,920.00)	99,920.00	-	-	-
Net Change in Fund Balances	(320,907.71)	81,039.00	-	(1,815.75)	(241,684.46)
Fund Balance(Deficit) -- July 1	7,936,666.17	(339,728.00)	-	1,816.54	7,598,754.71
Fund Balance(Deficit) -- June 30	<u>\$ 7,615,758.46</u>	<u>\$ (258,689.00)</u>	<u>\$ -</u>	<u>\$ 0.79</u>	<u>\$ 7,357,070.25</u>

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

GLOUCESTER CITY SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2017

Total Net Change in Fund Balances - Governmental Funds		\$ (241,684.46)
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense	\$ (2,576,404.00)	
State of NJ Schools Development Authority - Construction of New Middle School	43,263,624.00	
Capital Outlays	1,057,951.55	41,745,171.55
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		885,000.00
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)		8,901.56
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		(1,599,949.00)
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 (+).		(27,834.20)
Change in Net Position of Governmental Activities		\$ 40,769,605.45

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

GLOUCESTER CITY SCHOOL DISTRICT
 Proprietary Fund
 Statement of Net Position
 June 30, 2017

	Business-Type Activities Enterprise Fund
	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 348,088.47
Accounts Receivable:	
State	862.28
Federal	59,985.54
Inventories	<u>18,846.59</u>
Total Current Assets	<u>427,782.88</u>
Noncurrent Assets:	
Furniture, Fixtures and Equipment	662,826.00
Less Accumulated Depreciation	<u>(489,872.00)</u>
Total Noncurrent Assets	<u>172,954.00</u>
Total Assets	<u>600,736.88</u>
LIABILITIES:	
Current Liabilities:	
Interfund Payable	14,000.00
Unearned Revenue	<u>7,446.80</u>
Total Current Liabilities	<u>21,446.80</u>
NET POSITION:	
Net Investment in Capital Assets	172,954.00
Unrestricted	<u>406,336.08</u>
Total Net Position	<u>\$ 579,290.08</u>

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

GLOUCESTER CITY SCHOOL DISTRICT
Proprietary Fund
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2017

	<u>Business-Type Activities Enterprise Fund</u>
	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 124,949.62
Daily Sales - Non-Reimbursable Programs	151,751.16
Miscellaneous	<u>13,103.37</u>
Total Operating Revenues	<u>289,804.15</u>
OPERATING EXPENSES:	
Salaries	438,719.50
Employee Benefits	96,165.30
Depreciation	31,170.00
Cost of Sales-Reimbursable Programs	524,600.29
Cost of Sales-Non-Reimbursable Programs	73,561.49
Supplies and Materials	45,415.41
Management Fees	62,524.98
Insurance	16,116.95
Miscellaneous	<u>35,905.42</u>
Total Operating Expenses	<u>1,324,179.34</u>
Operating Income (Loss)	<u>(1,034,375.19)</u>
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	13,537.26
Federal Sources:	
National School Lunch Program	682,906.10
National School Breakfast Program	211,844.06
National School Snack Program	34,245.20
Summer Food Program	14,772.10
Food Distribution Program	74,062.93
Interest Earnings	<u>179.92</u>
Total Nonoperating Revenues (Expenses)	<u>1,031,547.57</u>
Change in Net Position	(2,827.62)
Net Position -- July 1	<u>582,117.70</u>
Net Position -- June 30	<u><u>\$ 579,290.08</u></u>

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

GLOUCESTER CITY SCHOOL DISTRICT
Proprietary Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2017

	<u>Business-Type Activities Enterprise Fund</u>
	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 291,591.20
Payments for Purchased Professional Services	(1,123,551.81)
Payments to Suppliers	<u>(87,239.83)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(919,200.44)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
State Sources	13,455.06
Federal Sources	<u>934,478.41</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>947,933.47</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases of Noncurrent Assets	<u>(5,919.00)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(5,919.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Income	<u>179.92</u>
Net Cash Provided by (Used for) Investing Activities	<u>179.92</u>
Net Increase (Decrease) in Cash and Cash Equivalents	22,993.95
Cash and Cash Equivalents -- July 1	<u>325,094.52</u>
Cash and Cash Equivalents -- June 30	<u><u>\$ 348,088.47</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (1,034,375.19)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Food Distribution Program	74,062.93
Depreciation and Net Amortization	31,170.00
(Increase) Decrease in Inventories	(5,315.38)
Increase (Decrease) in Accounts Payable	14,000.00
Increase (Decrease) in Unearned Revenue	<u>1,257.20</u>
Total Adjustments	<u>115,174.75</u>
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ (919,200.44)</u></u>

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

GLOUCESTER CITY SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Fiduciary Net Position
 June 30, 2017

	Private-Purpose Trust Funds		Agency Funds	
	Unemployment Compensation <u>Trust</u>	Scholarship <u>Trust</u>	Student <u>Activity</u>	<u>Payroll</u>
ASSETS:				
Cash and Cash Equivalents	\$ 2,383,699.01	\$ 51,368.24	\$ 78,897.51	\$ 48,951.05
Total Assets	<u>2,383,699.01</u>	<u>51,368.24</u>	<u>\$ 78,897.51</u>	<u>\$ 48,951.05</u>
LIABILITIES:				
Payable to Student Groups	-	-	\$ 78,897.51	\$ -
Accrued Salaries and Wages	-	-	-	8,000.00
Payroll Deductions and Withholdings	-	-	-	40,951.05
Total Liabilities	<u>-</u>	<u>-</u>	<u>\$ 78,897.51</u>	<u>\$ 48,951.05</u>
NET POSITION:				
Held in Trust for Scholarships	-	51,368.24		
Held in Trust for Unemployment Claims and Other Purposes	<u>2,383,699.01</u>	<u>-</u>		
Total Net Position	<u>\$ 2,383,699.01</u>	<u>\$ 51,368.24</u>		

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

GLOUCESTER CITY SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Changes in Fiduciary Net Position
 June 30, 2017

	<u>Private-Purpose Trust Funds</u>	
	<u>Unemployment Compensation Trust</u>	<u>Scholarship Trust</u>
ADDITIONS:		
Contributions:		
Board Contributions	\$ 1,100,000.00	\$ -
Plan Member	37,389.16	1,020.00
Total Contributions	<u>1,137,389.16</u>	<u>1,020.00</u>
Investment Earnings:		
Interest and Dividends	737.48	27.15
Total Investment Earnings	<u>737.48</u>	<u>27.15</u>
Total Additions	<u>1,138,126.64</u>	<u>1,047.15</u>
DEDUCTIONS:		
Scholarships Awarded	-	3,750.00
Reimbursements / Claims	59,947.97	-
Total Deductions	<u>59,947.97</u>	<u>3,750.00</u>
Change in Net Position	1,078,178.67	(2,702.85)
Net Position -- July 1	<u>1,305,520.34</u>	<u>54,071.09</u>
Net Position -- June 30	<u>\$ 2,383,699.01</u>	<u>\$ 51,368.24</u>

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

GLOUCESTER CITY SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2017

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Gloucester City School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades Pre-K through 12 at its three schools. The School District has an approximate enrollment at June 30, 2017 of 2,279.

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

Component Units

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Component Units (Cont'd)**

Based upon the application of these criteria, the School District has no component units.

Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Camden County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

General Fund - The general fund is the primary operating fund of the School 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 classified in the capital outlay sub-fund.

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

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

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

Enterprise Fund

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

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

The School District maintains the following fiduciary funds:

Agency Funds - Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund and payroll fund.

Private-Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. The School District maintains the following private-purpose trust funds:

Scholarship Fund - Revenues consist of donations and interest income. Expenditures represent scholarships for future teachers, which are awarded in accordance with the trust requirements.

New Jersey Unemployment Compensation Insurance Trust Fund - Revenues consist of contributions that have been included in the annual budget of the School District, employee payroll withholdings, and interest income. Expenditures represent claims incurred for unemployment.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the 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 one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as 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. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

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

Encumbrances

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Encumbrances (Cont'd)**

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

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

Cash, Cash Equivalents and Investments

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

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

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

Inventories

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

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

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

Tuition Receivable

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2017. The School District had no prepaid expenses for the fiscal year ended June 30, 2017.

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

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position as accounts receivable.

Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Equipment	5 - 15 Years
Buildings and Improvements	15 - 50 Years
Land Improvements	15 Years

The School District does not possess any infrastructure assets.

Deferred Outflows and Deferred Inflows of Resources

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Deferred Outflows and Deferred Inflows of Resources (Cont'd)**

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources:

Defined Benefit Pension Plans - The difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the School District's proportion of expenses and liabilities to the pension as a whole, differences between the School District's pension contribution and its proportionate share of contributions, and the School District's pension contributions subsequent to the pension valuation measurement date.

In addition, the School District reports the following as deferred outflows of resources:

Loss on Refunding of Debt - The loss on refunding arose from the issuance of refunding bonds, which is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2017 and 2016 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Unearned Revenue

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

Accrued Salaries and Wages

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

Compensated Absences

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

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the governmental fund financial statements when due.

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 the Public Employees' Retirement System ("PERS"), and additions to/deductions from TPAF's and PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Bond Discounts / Premiums

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Net Position

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

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

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

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

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance**

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (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.

Committed - 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.

Assigned - 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. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

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

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, and then unassigned.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

Accounting Estimates

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

Impact of Recently Issued Accounting Principles**Recently Issued and Adopted Accounting Pronouncements**

The School District implemented the following GASB Statements for the fiscal year ended June 30, 2017:

Statement No. 77, *Tax Abatement Disclosures*. This Statement provides financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current-year revenues were sufficient to pay for current-year services, (b) compliance with finance-related legal or contractual requirements, (c) where a government's financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time. The adoption of this Statement had no impact on the basic financial statements of the School District.

Statement No. 80, *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The adoption of this Statement had no impact on the basic financial statements of the School District.

Statement No. 82, *Pension Issues and amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The adoption of this Statement did not have a significant impact on the basic financial statements of the School District.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements**

The GASB has issued the following Statements that will become effective for the School District for the fiscal year ending June 30, 2018:

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. Management has determined that this Statement will have an impact on the basic financial statements of the School District.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2017, the School District's bank balances of \$13,546,010.85 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	<u>\$ 13,546,010.85</u>
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Note 3: CAPITAL RESERVE ACCOUNT

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

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

Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)

The activity of the capital reserve for the July 1, 2016 to June 30, 2017 fiscal year is as follows:

Beginning Balance, July 1, 2016		\$ 2,440,523.00
Increased by:		
Interest Earnings	\$ 200.00	
Deposits:		
Board Resolution June 2017	<u>1,048,500.00</u>	
		<u>1,048,700.00</u>
		3,489,223.00
Decreased by:		
Withdrawals:		
2016-2017 Budget Appropriation		<u>1,250,507.00</u>
Ending Balance, June 30, 2017		<u>\$ 2,238,716.00</u>
<u>Analysis of Balance</u>		
Anticipated as Revenue in 2017-2018 Budget		\$ 1,190,416.00
Restricted for Future Use		<u>1,048,300.00</u>
		<u>\$ 2,238,716.00</u>

The June 30, 2017 LRFP balance of local support costs of uncompleted projects at June 30, 2017 is \$6,481,104.00. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2017 consisted of accounts (fees for services), intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Description</u>	<u>Governmental Funds</u>		<u>Total Governmental Activities</u>	<u>Proprietary Funds</u>	
	<u>General Fund</u>	<u>Special Revenue Fund</u>		<u>Food Service Fund</u>	<u>Total</u>
Federal Awards		\$ 75,504.53	\$ 75,504.53	\$ 59,985.54	\$ 135,490.07
State Awards	\$ 565,054.76	2,113.92	567,168.68	862.28	568,030.96
Other	38,119.47		38,119.47		38,119.47
	<u>\$ 603,174.23</u>	<u>\$ 77,618.45</u>	<u>\$ 680,792.68</u>	<u>\$ 60,847.82</u>	<u>\$ 741,640.50</u>

Note 5: INVENTORY

Inventory recorded at June 30, 2017 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$	6,842.94
Commodities		3,492.99
Supplies		<u>8,510.66</u>
Total	\$	<u>18,846.59</u>

Note 6: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2017 is as follows:

	<u>Balance</u> <u>July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2017</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 2,799,583.00			\$ 2,799,583.00
Total Capital Assets, not being Depreciated	<u>2,799,583.00</u>	<u>-</u>	<u>-</u>	<u>2,799,583.00</u>
Capital Assets, being Depreciated:				
Land Improvements	2,395,919.00	\$ 2,750.00		2,398,669.00
Buildings and Improvements	53,350,603.00	39,977,747.55		93,328,350.55
Equipment	7,337,324.00	4,341,078.00		11,678,402.00
Total Capital Assets, being Depreciated	<u>63,083,846.00</u>	<u>44,321,575.55</u>	<u>-</u>	<u>107,405,421.55</u>
Total Capital Assets, Cost	<u>65,883,429.00</u>	<u>44,321,575.55</u>	<u>-</u>	<u>110,205,004.55</u>
Less Accumulated Depreciation for:				
Land Improvements	(1,605,038.00)	(87,787.00)		(1,692,825.00)
Buildings and Improvements	(20,816,815.00)	(1,849,777.00)		(22,666,592.00)
Equipment	(5,024,382.00)	(638,840.00)		(5,663,222.00)
Total Accumulated Depreciation	<u>(27,446,235.00)</u>	<u>(2,576,404.00)</u>	<u>-</u>	<u>(30,022,639.00)</u>
Total Capital Assets, being Depreciated, Net	<u>35,637,611.00</u>	<u>41,745,171.55</u> *	<u>-</u>	<u>77,382,782.55</u>
Governmental Activities Capital Assets, Net	<u>\$ 38,437,194.00</u>	<u>\$ 41,745,171.55</u>	<u>\$ -</u>	<u>\$ 80,182,365.55</u>
	<u>Balance</u> <u>July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2017</u>
Business-Type Activities:				
Furniture, Fixtures and Equipment	\$ 656,907.00	\$ 5,919.00		\$ 662,826.00
Less Accumulated Depreciation	(458,702.00)	(31,170.00) *		(489,872.00)
Business-Type Activities Capital Assets, Net	<u>\$ 198,205.00</u>	<u>\$ (25,251.00)</u>	<u>\$ -</u>	<u>\$ 172,954.00</u>

Note 6: CAPITAL ASSETS (CONT'D)**Donated Capital Assets**

During Fiscal Year 2017 the Construction of a New Middle School was completed by the State of NJ Schools Development Authority and Donated to the School District. The value of the building, technology, and furniture/fixtures was estimated to be \$43,263,624.00

* Depreciation expense was charged to functions / programs of the School District as follows:

Governmental Activities:

Regular Instruction	\$ 1,803,482.80
Other Administrative Services	128,820.20
Plant Operations and Maintenance	128,820.20
Unallocated	<u>515,280.80</u>

Total Depreciation Expense - Governmental Activities	<u>\$ 2,576,404.00</u>
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Business-Type Activities:

Food Service	<u>\$ 31,170.00</u>
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Total Depreciation Expense - Business-Type Activities	<u>\$ 31,170.00</u>
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Note 7: LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2017, the following changes occurred in long-term obligations for governmental activities:

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>	<u>Due within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 7,310,000.00	\$ -	\$ (885,000.00)	\$ 6,425,000.00	\$ 860,000.00
Add Amounts:					
Bond Premium	170,973.75		(21,371.72)	149,602.03	
Total Bonds Payable	<u>7,480,973.75</u>	<u>-</u>	<u>(906,371.72)</u>	<u>6,574,602.03</u>	<u>860,000.00</u>
Other Liabilities:					
Net Pension Liability (note 8)	16,021,798.00	8,878,206.00	(3,490,647.00)	21,409,357.00	
Compensated Absences (note 13)	1,003,308.77	214,576.05	(171,335.74)	1,046,549.08	209,309.82
Total Other Liabilities	<u>17,025,106.77</u>	<u>9,092,782.05</u>	<u>(3,661,982.74)</u>	<u>22,455,906.08</u>	<u>209,309.82</u>
Governmental Activity Long-Term Liabilities	<u>\$ 24,506,080.52</u>	<u>\$ 9,092,782.05</u>	<u>\$ (4,568,354.46)</u>	<u>\$ 29,030,508.11</u>	<u>\$ 1,069,309.82</u>

The bonds payable are generally liquidated by the debt service fund, while compensated absences and net pension liability are liquidated by the general fund.

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

On February 25, 2010 and November 4, 2015, the School District issued \$5,385,000.00 and \$3,470,000.00 general obligation refunding bonds at interest rates varying from 2.00% to 4.75% for various construction and renovation projects. The final maturities of these bonds are August 15, 2024 and August 15, 2023 respectively. The bonds will be paid from property taxes.

Note 7: LONG-TERM LIABILITIES (CONT'D)

Principal and interest due on bonds outstanding is as follows:

Fiscal Year			
<u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 860,000.00	\$ 201,218.75	\$ 1,061,218.75
2019	865,000.00	175,887.50	1,040,887.50
2020	875,000.00	148,687.50	1,023,687.50
2021	850,000.00	120,650.00	970,650.00
2022	855,000.00	92,362.50	947,362.50
2023-2025	<u>2,120,000.00</u>	<u>102,900.01</u>	<u>2,222,900.01</u>
Total	<u>\$ 6,425,000.00</u>	<u>\$ 841,706.26</u>	<u>\$ 7,266,706.26</u>

Bonds Authorized but not Issued - As of June 30, 2017, the School District had no authorizations to issue additional bonded debt.

Compensated Absences - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 13 for a description of the School District's policy.

Net Pension Liability - For details on the net pension liability, refer to note 8. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

Note 8: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This plan is administered by Prudential Financial for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<http://www.nj.gov/treasury/pensions>

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans****Plan Descriptions**

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

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

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Vesting and Benefit Provisions

Teachers' Pension and Annuity Fund - The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Teachers' Pension and Annuity Fund (Cont'd) - The following represents the membership tiers for TPAF:

Tier Definition

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier.

Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The 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 the PERS.

The membership tiers for PERS are the same as previously noted for TPAF.

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State's contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2016, the State's pension contribution was less than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2017 was 8.24% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2017 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2017 was \$1,341,373.00, and was paid by April 1, 2017. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$1,249,710.88

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over seven years beginning in July 2012. The member contribution rate was 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Note 8: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) - The School District's contractually required contribution rate for the fiscal year ended June 30, 2017 was 14.07% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2016, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2017 was \$642,118.00, and was paid by April 1, 2017. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$341,767.11.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2017, employee contributions totaled \$3,190.11, and the School District recognized pension expense, which equaled the required contributions, of \$1,732.66. There were no forfeitures during the fiscal year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Teachers' Pension and Annuity Fund - At June 30, 2017, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the School District	132,497,622.00
	<u>\$132,497,622.00</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. For the June 30, 2016 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At June 30, 2016, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey. For the June 30, 2016 measurement date, the State's proportionate share of the TPAF net pension liability associated with the School District was 0.1684298219% which was a decrease of 0.0032644360% from its proportion measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the School District recognized \$9,955,353.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2016 measurement date.

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Public Employees' Retirement System - At June 30, 2017, the School District reported a liability of \$21,409,357.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2016 measurement date, the School District's proportion was 0.0722870694%, which was an increase of 0.0009141137% from its proportion measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the School District recognized pension expense of \$2,242,101.00 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2016 measurement date.

At June 30, 2017, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 398,149.00	\$ -
Changes of Assumptions	4,434,875.00	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	816,358.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	729,087.00	-
School District Contributions Subsequent to the Measurement Date	619,771.00	-
	<u>\$ 6,998,240.00</u>	<u>\$ -</u>

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Public Employees' Retirement System (Cont'd) - \$619,771.00, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,		
2018	\$	1,470,012
2019		1,470,012
2020		1,671,652
2021		1,354,187
2022		412,606
		412,606
		\$ 6,378,469.00

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Public Employees' Retirement System (Cont'd) - The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation	2.50%	3.08%
Salary Increases:		
2012-2021	Varies Based on Experience	
Through 2026		1.65% - 4.15% Based on Age
Thereafter	Varies Based on Experience	2.65% - 5.15% Based on Age
Investment Rate of Return	7.65%	7.65%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2012 - June 30, 2015	July 1, 2011 - June 30, 2014

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

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

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS's target asset allocation as of June 30, 2016 are summarized in the following tables:

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

<u>Asset Class</u>	<u>TPAF</u>		<u>Asset Class</u>	<u>PERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>		<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.39%	Cash	5.00%	0.87%
U.S. Government Bonds	1.50%	1.28%	U.S. Treasuries	1.50%	1.74%
U.S. Credit Bonds	13.00%	2.76%	Investment Grade Credit	8.00%	1.79%
U.S. Mortgages	2.00%	2.38%	Mortgages	2.00%	1.67%
U.S. Inflation-Indexed Bonds	1.50%	1.41%	High Yield Bonds	2.00%	4.56%
U.S. High Yield Bonds	2.00%	4.70%	Inflation-Indexed Bonds	1.50%	3.44%
U.S. Equity Market	26.00%	5.14%	Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	5.91%	Developed Foreign Equities	13.25%	6.83%
Emerging Markets Equity	6.50%	8.16%	Emerging Market Equities	6.50%	9.95%
Private Real Estate Property	5.25%	3.64%	Private Equity	9.00%	12.40%
Timber	1.00%	3.86%	Hedge Funds / Absolute Return	12.50%	4.68%
Farmland	1.00%	4.39%	Real Estate (Property)	2.00%	6.91%
Private Equity	9.00%	8.97%	Commodities	0.50%	5.45%
Commodities	0.50%	2.87%	Global Debt ex U.S.	5.00%	-0.25%
Hedge Funds - MultiStrategy	5.00%	3.70%	REIT	5.25%	5.63%
Hedge Funds - Equity Hedge	3.75%	4.72%			
Hedge Funds - Distressed	3.75%	3.49%			
	<u>100.00%</u>			<u>100.00%</u>	

Discount Rate - The discount rates used to measure the total pension liability at June 30, 2016 were 3.22% and 3.98% for TPAF and PERS, respectively. For TPAF and PERS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, 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 rates for TPAF and PERS assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. 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 2029 for TPAF and 2034 for PERS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2029 for TPAF and 2034 for PERS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Note 8: PENSION PLANS (CONT'D)**Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

Teachers' Pension and Annuity Fund (TPAF) - As previously mentioned, TPAF, has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2016, the pension plans measurement date, attributable to the School District is \$0, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 3.22%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	TPAF		
	1% Decrease (2.22%)	Current Discount Rate (3.22%)	1% Increase (4.22%)
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>158,231,771.00</u>	<u>132,497,622.00</u>	<u>111,482,369.00</u>
	<u>\$158,231,771.00</u>	<u>\$132,497,622.00</u>	<u>\$111,482,369.00</u>

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2016, the plans measurement date, calculated using a discount rate of 3.98%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
School District's Proportionate Share of the Net Pension Liability	<u>\$ 26,234,668.00</u>	<u>\$ 21,409,357.00</u>	<u>\$ 17,425,644.00</u>

Pension Plan Fiduciary Net Position

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 respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS's respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about TPAF and PERS, please refer to the plan's Comprehensive Annual Financial Report (CAFR) which can be found at www.nj.gov/treasury/pensions.

Note 9: SCHOOL EMPLOYEES HEALTH BENEFITS PROGRAM

P.L. 1987, c.384 of 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 postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2016, there were 110,512 retirees receiving postemployment medical benefits, and the State contributed \$1.37 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 premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in fiscal year 2016.

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 the SEHBP. That report may be obtained from the Treasury website at:

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

Note 10: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2017, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$1,823,883.00, \$66,083.00, \$1,574,771.00, and \$2,989.00, respectively.

Note 11: RISK MANAGEMENT

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

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

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

Note 11: RISK MANAGEMENT (CONT'D)

New Jersey Unemployment Compensation Insurance (Cont'd) - The following is a summary of the activity of the School District's private-purpose trust fund for the unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017	\$ 1,100,000.00	\$ 38,126.64	\$ 59,947.97	\$ 2,383,699.01
2016	250,000.00	36,071.28	175,932.69	1,305,520.34
2015	50,000.00	40,606.75	9,930.59	1,195,381.75

Note 12: DEFERRED COMPENSATION

The School District offers its employees a choice of deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are Southwest, Equitable, Lincoln, and GWN Securities.

Note 13: COMPENSATED ABSENCES

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2017, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$1,046,549.08 and \$0.00, respectively.

Note 14: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2017 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 135,238.95	
Special Revenue		\$ 121,238.95
Food Service		14,000.00
	<u>\$ 135,238.95</u>	<u>\$ 135,238.95</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2018, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Interfund Transfers:

<u>Fund</u>	<u>Transfer Out</u>	<u>Transfer In</u>
General Fund	\$ 99,920.00	
Special Revenue Fund		\$ 99,920.00
Total Transfers	<u>\$ 99,920.00</u>	<u>\$ 99,920.00</u>

The interfund transfer represents matching funds for a grant program in the special revenue fund.

Note 15: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

Litigation - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 16: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 17: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$(1,789,383.03) in the general fund and \$(258,689.00) in the special revenue fund as of June 30, 2017 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$2,048,072.03 is less than the June state aid payments.

Note 18: FUND BALANCES**RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (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

For Tuition - In accordance with N.J.A.C. 6A:23A-3.1(f) (8), the School District has restricted fund balance in the amount of \$180,000.00 in a legal reserve for tuition adjustments. \$90,000.00 will be utilized in the 2016-2017 budget, leaving a remaining balance of \$90,000.00. This restricted fund balance represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated tuition cost of the respective contract year. As of June 30, 2017, \$90,000.00 has been restricted for the contract year 2016-2017.

For Capital Reserve Account - As of June 30, 2017, the balance in the capital reserve account is \$2,238,716.00. \$1,190,416.00 will be utilized in the 2017-2018 budget, leaving a remaining balance of \$1,048,300.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2017, the balance in the maintenance reserve account is \$3,289,149.00. \$638,550.00 will be utilized in the 2017-2018 budget, leaving a remaining balance of \$2,650,599.00. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Note 18: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)****General Fund (Cont'd)**

For Emergency Reserve - As of June 30, 2017, the balance in the emergency reserve is \$400,000.00. \$200,000.00 will be utilized in the 2017-2018 budget, leaving a remaining balance of \$200,000.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the restricted fund balance is not permitted to exceed \$250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of \$1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner.

Debt Service Fund - As of June 30, 2017, the restricted fund balance amount was \$0.79, the result of rounding on Bond Payments.

ASSIGNED

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

General Fund

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2018 \$2,512,665.00 of general fund balance at June 30, 2017.

Other Purposes - As of June 30, 2017, the School District had \$784,621.49 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

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

General Fund - As of June 30, 2017, the fund balance of the general fund was a deficit of \$(1,789,383.03), thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 17, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$(1,789,383.03) is less than the June state aid payment.

Note 18: FUND BALANCES (CONT'D)**UNASSIGNED (CONT'D)**

Special Revenue Fund - As of June 30, 2017, the fund balance of the special revenue fund was a deficit of \$(258,689.00), thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 17, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$(258,689.00) is equal to the June state aid payment.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Amendments</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 5,227,609.00	\$ -	\$ 5,227,609.00	\$ 5,227,609.00	\$ -
Tuition From Other LEAs Within the State	971,063.00	-	971,063.00	1,115,396.01	144,333.01
Transportation Fees from Other LEAs	4,600.00	-	4,600.00	13,005.00	8,405.00
Interest Earned on Capital Reserve Funds	200.00	-	200.00	200.00	-
Unrestricted Miscellaneous Revenues	25,000.00	-	25,000.00	242,380.18	217,380.18
Total - Local Sources	6,228,472.00	-	6,228,472.00	6,598,590.19	370,118.19
State Sources:					
Extraordinary Aid	-	-	-	507,012.00	507,012.00
Categorical Special Education Aid	1,014,725.00	-	1,014,725.00	1,014,725.00	-
Equalization Aid	19,016,980.00	-	19,016,980.00	19,016,980.00	-
Categorical Security Aid	591,010.00	-	591,010.00	591,010.00	-
Adjustment Aid	9,195,313.00	-	9,195,313.00	9,195,313.00	-
Categorical Transportation Aid	233,679.00	-	233,679.00	233,679.00	-
PARCC Readiness Aid	18,040.00	-	18,040.00	18,040.00	-
Per Pupil Growth Aid	18,040.00	-	18,040.00	18,040.00	-
Professional Learning Community Aid	18,830.00	-	18,830.00	18,830.00	-
Host District Support Aid	1,575.00	-	1,575.00	1,575.00	-
Nonpublic Transportation Aid	-	-	-	174.00	174.00
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)	-	-	-	1,574,771.00	1,574,771.00
Teacher's Pension & Annuity Fund (On-Behalf - Non-Budgeted)	-	-	-	1,823,883.00	1,823,883.00
TPAF Non-contributory Insurance (On-Behalf - Non-Budgeted)	-	-	-	66,083.00	66,083.00
Long-Term Disability Insurance (On-Behalf - Non-Budgeted)	-	-	-	2,989.00	2,989.00
Reimbursed TPAF Social Security (Non-Budgeted)	-	-	-	1,192,848.09	1,192,848.09
Total State Sources	30,108,192.00	-	30,108,192.00	35,275,952.09	5,167,760.09
Federal Sources:					
SEMI Medicaid Program	80,708.00	-	80,708.00	119,870.65	39,162.65
ARRA/SEMI Revenue	-	-	-	13,532.14	13,532.14
Total - Federal Sources	80,708.00	-	80,708.00	133,402.79	52,694.79
Total Revenues	36,417,372.00	-	36,417,372.00	42,007,945.07	5,590,573.07 (Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Amendments</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	\$ 477,204.00	\$ (27,000.00)	\$ 450,204.00	\$ 445,798.33	\$ 4,405.67
Grades 1-5 - Salaries of Teachers	3,760,084.00	(203,070.00)	3,557,014.00	3,464,923.94	92,090.06
Grades 6-8 - Salaries of Teachers	1,903,017.00	233,770.00	2,136,787.00	2,119,800.99	16,986.01
Grades 9-12 - Salaries of Teachers	2,714,753.00	(293,000.00)	2,421,753.00	2,222,765.58	198,987.42
Regular Programs - Home Instruction:					
Salaries of Teachers	60,000.00	55,000.00	115,000.00	109,361.23	5,638.77
Other Purchased Services (400-500 series)	56,094.60	(1,000.00)	55,094.60	49,620.38	5,474.22
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	225,577.05	(6,000.00)	219,577.05	194,351.27	25,225.78
Unused Vacation Payment to Terminated/Retired Staff	-	122,770.00	122,770.00	93,069.00	29,701.00
Health Benefits	107,770.00	(107,770.00)	-	-	-
Purchased Professional - Educational Services	390,655.00	312,449.01	703,104.01	689,030.67	14,073.34
Other Purchased Services (400-500 series)	160,811.18	(72,001.19)	88,809.99	68,994.58	19,815.41
General Supplies	251,350.31	117,172.47	368,522.78	337,946.49	30,576.29
Textbooks	95,000.00	(144.93)	94,855.07	93,744.64	1,110.43
Other Objects	22,845.00	957.99	23,802.99	18,555.41	5,247.58
TOTAL REGULAR PROGRAMS - INSTRUCTION	10,225,161.14	132,133.35	10,357,294.49	9,907,962.51	449,331.98
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	346,526.00	141,900.00	488,426.00	480,428.85	7,997.15
Other Salaries for Instruction	262,619.12	71,200.00	333,819.12	330,041.74	3,777.38
General Supplies	2,124.74	-	2,124.74	1,989.48	135.26
Other Objects	400.00	(400.00)	-	-	-
Total Learning and/or Language Disabilities	611,669.86	212,700.00	824,369.86	812,460.07	11,909.79
Behavioral Disabilities:					
Salaries of Teachers	194,113.00	1,800.00	195,913.00	194,820.23	1,092.77
Other Salaries for Instruction	172,706.00	(44,800.00)	127,906.00	126,304.50	1,601.50
General Supplies	2,289.10	(144.70)	2,144.40	1,817.31	327.09
Other Objects	200.00	(200.00)	-	-	-
Total Behavioral Disabilities	369,308.10	(43,344.70)	325,963.40	322,942.04	3,021.36

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Amendments</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Multiple Disabilities:					
Salaries of Teachers	\$ 256,624.00	\$ 72,000.00	\$ 328,624.00	\$ 325,024.48	\$ 3,599.52
Other Salaries for Instruction	143,345.00	86,000.00	229,345.00	219,941.54	9,403.46
General Supplies	3,200.00	(2,067.50)	1,132.50	1,010.59	121.91
Textbooks	-	212.20	212.20	212.20	-
Other Objects	200.00	(200.00)	-	-	-
Total Multiple Disabilities	403,369.00	155,944.70	559,313.70	546,188.81	13,124.89
Resource Room/Resource Center:					
Salaries of Teachers	1,821,660.00	(126,100.00)	1,695,560.00	1,688,602.05	6,957.95
Other Salaries for Instruction	318,079.00	(46,400.00)	271,679.00	258,045.65	13,633.35
Other Purchased Services (400-500 series)	2,500.00	(2,500.00)	-	-	-
General Supplies	1,880.00	(500.00)	1,380.00	995.64	384.36
Total Resource Room/Resource Center	2,144,119.00	(175,500.00)	1,968,619.00	1,947,643.34	20,975.66
Autism:					
Salaries of Teachers	190,287.00	(2,000.00)	188,287.00	127,309.32	60,977.68
Other Salaries for Instruction	361,211.20	(64,900.00)	296,311.20	266,126.57	30,184.63
Other Purchased Services	-	600.00	600.00	600.00	-
General Supplies	2,000.00	(1,000.00)	1,000.00	882.47	117.53
Other Objects	400.00	(400.00)	-	-	-
Total Autism	553,898.20	(67,700.00)	486,198.20	394,918.36	91,279.84
Preschool Disabilities - Full-Time:					
Salaries of Teachers	82,167.00	6,000.00	88,167.00	83,960.05	4,206.95
Other Salaries for Instruction	100,976.64	(45,700.00)	55,276.64	36,814.84	18,461.80
General Supplies	1,000.00	(600.00)	400.00	400.00	-
Total Preschool Disabilities - Full-Time	184,143.64	(40,300.00)	143,843.64	121,174.89	22,668.75
TOTAL SPECIAL EDUCATION - INSTRUCTION	4,266,507.80	41,800.00	4,308,307.80	4,145,327.51	162,980.29
Bilingual Education - Instruction					
Salaries of Teachers	125,127.00	11,000.00	136,127.00	134,182.00	1,945.00
Purchased Professional - Educational Services	1,400.00	(352.00)	1,048.00	1,043.77	4.23
General Supplies	1,800.00	(800.00)	1,000.00	272.51	727.49
Total Bilingual Education - Instruction	128,327.00	9,848.00	138,175.00	135,498.28	2,676.72

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Amendments</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	\$ 86,387.00	\$ 1,300.00	\$ 87,687.00	\$ 71,473.88	\$ 16,213.12
Purchased Services (300-500 series)	5,500.00	(248.27)	5,251.73	4,869.54	382.19
Supplies and Materials	15,800.00	(2,812.73)	12,987.27	10,838.50	2,148.77
Other Objects	12,900.00	400.00	13,300.00	12,620.87	679.13
Total School-Spon. Cocurricular Actvts. - Inst.	120,587.00	(1,361.00)	119,226.00	99,802.79	19,423.21
School-Spon. Cocurricular Athletics - Inst.					
Salaries	329,288.00	(3,498.00)	325,790.00	320,218.00	5,572.00
Purchased Services (300-500 series)	64,000.00	(2,102.00)	61,898.00	55,092.02	6,805.98
Supplies and Materials	100,515.00	1,500.00	102,015.00	93,709.93	8,305.07
Other Objects	22,000.00	1,100.00	23,100.00	20,384.50	2,715.50
Total School-Spon. Cocurricular Athletics - Inst.	515,803.00	(3,000.00)	512,803.00	489,404.45	23,398.55
Total Instruction	15,256,385.94	179,420.35	15,435,806.29	14,777,995.54	657,810.75
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	93,000.00	(9,000.00)	84,000.00	79,485.54	4,514.46
Tuition to Other LEAs Within the State - Special	90,000.00	(76,700.00)	13,300.00	7,000.00	6,300.00
Tuition to Vocational School Districts - Regular	74,800.00	(10,000.00)	64,800.00	59,622.00	5,178.00
Tuition to Vocational School Districts - Special	15,000.00	(7,000.00)	8,000.00	-	8,000.00
Tuition to CSSD & Regional Day Schools	942,822.00	(291,631.00)	651,191.00	413,654.54	237,536.46
Tuition to Private Schools for the Disabled - Within State	1,298,000.00	482,000.00	1,780,000.00	1,665,316.56	114,683.44
Tuition to Private Schools for the Disabled & Other LEA - Spl,O/S St	10,000.00	-	10,000.00	-	10,000.00
Tuition - State Facilities	32,306.00	-	32,306.00	32,306.00	-
Total Undistributed Expenditures - Instruction:	2,555,928.00	87,669.00	2,643,597.00	2,257,384.64	386,212.36
Undist. Expend. - Attend. & Social Work					
Salaries of Drop-Out Prevention Officer/Coordinator	62,095.00	(2,500.00)	59,595.00	59,438.88	156.12
Purchased Professional and Technical Services	66,000.00	(700.00)	65,300.00	65,300.00	-
Purchased Services (300-500 series)	1,000.00	(1,000.00)	-	-	-
Other Purchased Prof. and Tech. Services	475.00	(275.00)	200.00	-	200.00
Supplies and Materials	275.00	(275.00)	-	-	-
Total Undist. Expend. - Attend. & Social Work	129,845.00	(4,750.00)	125,095.00	124,738.88	356.12

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Amendments</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Undist. Expend. - Health Services					
Salaries	\$ 248,861.00	\$ 84,100.00	\$ 332,961.00	\$ 324,781.84	\$ 8,179.16
Purchased Professional and Technical Services	8,666.50	(2,876.90)	5,789.60	4,480.50	1,309.10
Other Purchased Services (400-500 series)	500.00	469.25	969.25	960.93	8.32
Supplies and Materials	9,150.00	22.00	9,172.00	8,145.78	1,026.22
Other Objects	1,100.00	(491.25)	608.75	273.50	335.25
Total Undist. Expend. - Health Services	268,277.50	81,223.10	349,500.60	338,642.55	10,858.05
Undist. Expend. - Other Supp. Serv. Students - Related Serv.					
Purchased Professional - Educational Services	-	5,700.00	5,700.00	5,700.00	-
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	-	5,700.00	5,700.00	5,700.00	-
Undist. Expend. - Other Supp. Serv. Students - Reg.					
Salaries of Other Professional Staff	606,897.00	(9,200.00)	597,697.00	574,445.02	23,251.98
Salaries of Secretarial and Clerical Assistants	37,802.00	400.00	38,202.00	38,021.88	180.12
Purchased Professional - Educational Services	2,700.00	-	2,700.00	2,455.00	245.00
Other Purchased Services (400-500 series)	1,400.00	4,028.50	5,428.50	5,417.80	10.70
Supplies and Materials	18,945.00	3,341.50	22,286.50	17,709.47	4,577.03
Other Objects	1,379.00	-	1,379.00	1,101.25	277.75
Total Undist. Expend. - Other Supp. Serv. Students - Reg.	669,123.00	(1,430.00)	667,693.00	639,150.42	28,542.58
Undist. Expend. - Other Supp. Serv. Students - Spl.					
Salaries of Other Professional Staff	797,247.00	(27,000.00)	770,247.00	769,480.78	766.22
Salaries of Secretarial and Clerical Assistants	104,573.00	(33,950.00)	70,623.00	70,432.30	190.70
Purchased Professional - Educational Services	6,000.00	(6,000.00)	-	-	-
Other Purchased Prof. and Tech. Services	173,956.00	104,545.00	278,501.00	245,414.89	33,086.11
Misc. Purchase Serv. (400-500 series other than Residential Costs)	21,841.30	(13,433.10)	8,408.20	7,754.96	653.24
Supplies and Materials	16,000.00	(10,200.00)	5,800.00	5,551.44	248.56
Other Objects	1,000.00	(500.00)	500.00	425.00	75.00
Total Undist. Expend. - Other Supp. Serv. Students - Spl	1,120,617.30	13,461.90	1,134,079.20	1,099,059.37	35,019.83

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Amendments</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	\$ 20,540.00	\$ (13,000.00)	\$ 7,540.00	\$ 7,454.50	\$ 85.50
Salaries of Secretarial and Clerical Assistants	59,661.00	11,850.00	71,511.00	60,007.95	11,503.05
Other Salaries	454,410.88	(271,298.00)	183,112.88	163,630.35	19,482.53
Salaries of Facilitators, Math Coaches and Literacy Coaches	398,686.00	207,298.00	605,984.00	564,156.37	41,827.63
Purchased Professional - Educational Services	131,660.00	-	131,660.00	129,780.70	1,879.30
Other Purch Services (400-500)	7,500.00	2,200.00	9,700.00	9,138.87	561.13
Supplies and Materials	16,000.00	(5,265.35)	10,734.65	8,244.29	2,490.36
Other Objects	2,570.00	1,800.00	4,370.00	4,355.00	15.00
Total Undist. Expend. - Improvement of Inst. Serv.	1,091,027.88	(66,415.35)	1,024,612.53	946,768.03	77,844.50
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	172,369.00	(23,000.00)	149,369.00	148,257.01	1,111.99
Salaries of Technology Coordinators	169,041.00	(2,100.00)	166,941.00	150,258.75	16,682.25
Purchased Professional and Technical Services	132,850.00	(3,660.00)	129,190.00	124,624.02	4,565.98
Other Purchased Services (400-500 series)	5,800.00	3,460.00	9,260.00	9,223.56	36.44
Supplies and Materials	34,300.00	(1,174.00)	33,126.00	26,301.10	6,824.90
Other Objects	200.00	-	200.00	-	200.00
Total Undist. Expend. - Edu. Media Serv./Sch. Library	514,560.00	(26,474.00)	488,086.00	458,664.44	29,421.56
Undist. Expend. - Instructional Staff Training Serv.					
Tuition Reimbursement	118,000.00	-	118,000.00	91,086.30	26,913.70
Purchased Professional - Educational Services	26,000.00	(6,415.00)	19,585.00	14,191.69	5,393.31
Other Purchased Services (400-500 series)	1,000.00	(690.00)	310.00	310.00	-
Total Undist. Expend. - Instructional Staff Training Serv.	145,000.00	(7,105.00)	137,895.00	105,587.99	32,307.01

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Amendments</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	\$ 248,623.00	\$ 54,500.00	\$ 303,123.00	\$ 258,437.08	\$ 44,685.92
Legal Services	75,000.00	50,000.00	125,000.00	101,606.22	23,393.78
Audit Fees	39,000.00	-	39,000.00	34,860.00	4,140.00
Architectural/Engineering Services	38,000.00	(36,000.00)	2,000.00	-	2,000.00
Other Purchased Professional Services	28,000.00	(14,401.00)	13,599.00	12,531.00	1,068.00
Purchased Technical Services	10,800.00	5,001.00	15,801.00	15,500.00	301.00
Communications/Telephone	155,183.05	(4,600.00)	150,583.05	87,401.19	63,181.86
BOE Other Purchased Services	11,200.00	-	11,200.00	1,164.48	10,035.52
Other Purchased Services (400-500 series)	52,098.90	-	52,098.90	8,942.31	43,156.59
Supplies and Materials	18,000.00	-	18,000.00	4,415.83	13,584.17
BOE In-House Training/Meeting Supplies	4,000.00	(2,700.00)	1,300.00	185.50	1,114.50
Miscellaneous Expenditures	15,168.00	(1,000.00)	14,168.00	9,468.90	4,699.10
BOE Membership Dues and Fees	21,000.00	3,700.00	24,700.00	23,830.11	869.89
Total Undist. Expend. - Supp. Serv. - General Admin.	<u>716,072.95</u>	<u>54,500.00</u>	<u>770,572.95</u>	<u>558,342.62</u>	<u>212,230.33</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	873,349.00	(17,000.00)	856,349.00	853,333.50	3,015.50
Salaries of Secretarial and Clerical Assistants	462,205.00	5,000.00	467,205.00	463,142.18	4,062.82
Other Purchased Services (400-500 series)	41,700.00	(7,148.42)	34,551.58	27,156.82	7,394.76
Supplies and Materials	43,450.00	(11,482.89)	31,967.11	25,408.44	6,558.67
Other Objects	17,650.00	12,487.31	30,137.31	29,749.01	388.30
Total Undist. Expend. - Support Serv. - School Admin.	<u>1,438,354.00</u>	<u>(18,144.00)</u>	<u>1,420,210.00</u>	<u>1,398,789.95</u>	<u>21,420.05</u>
Undistributed Expenditures - Central Services					
Salaries	439,784.00	(12,610.00)	427,174.00	346,080.64	81,093.36
Purchased Professional Services	12,855.00	-	12,855.00	4,905.63	7,949.37
Purchased Technical Services	64,000.00	-	64,000.00	26,121.05	37,878.95
Misc. Purch. Services (400-500 Series)	11,698.90	-	11,698.90	6,141.49	5,557.41
Supplies and Materials	28,000.00	-	28,000.00	11,187.27	16,812.73
Interest on Lease Purchase Agreements	4,500.00	-	4,500.00	-	4,500.00
Miscellaneous Expenditures	4,000.00	-	4,000.00	3,395.00	605.00
Total Undist. Expend. - Central Services	<u>564,837.90</u>	<u>(12,610.00)</u>	<u>552,227.90</u>	<u>397,831.08</u>	<u>154,396.82</u>

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Undistributed Expenditures - Admin. Info. Tech.					
Purchased Technical Services	\$ 26,600.00	\$ -	\$ 26,600.00	\$ 15,181.01	\$ 11,418.99
Other Purchased Services (400-500 series)	60,500.00	-	60,500.00	30,270.23	30,229.77
General Supplies	2,900.00	-	2,900.00	2,025.97	874.03
Total Undist. Expend. - Admin. Info. Tech.	90,000.00	-	90,000.00	47,477.21	42,522.79
Undist. Expend. -Required Maintenance for School Facilities					
Salaries	-	18,510.00	18,510.00	18,501.48	8.52
Cleaning, Repair, and Maintenance Services	530,287.64	13,622.51	543,910.15	373,118.83	170,791.32
General Supplies	148,300.00	725.00	149,025.00	20,461.91	128,563.09
Total Undist. Expend. -Required Maintenance for School Facilities	678,587.64	32,857.51	711,445.15	412,082.22	299,362.93
Undist. Expend. - Other Oper. & Maint. Of Plant					
Salaries	1,225,898.00	40,350.00	1,266,248.00	1,169,812.79	96,435.21
Salaries of Non-Instructional Aides	167,836.54	(61,000.00)	106,836.54	34,427.77	72,408.77
Purchased Professional and Technical Services	11,300.00	(4,000.00)	7,300.00	2,300.00	5,000.00
Cleaning, Repair and Maintenance Services	72,669.55	70,309.00	142,978.55	128,867.76	14,110.79
Other Purchased Property Services	137,000.00	-	137,000.00	103,552.00	33,448.00
Insurance	250,000.00	111,000.00	361,000.00	283,667.18	77,332.82
Miscellaneous Purchased Services	2,600.00	1,500.00	4,100.00	3,633.31	466.69
General Supplies	157,373.52	109,779.00	267,152.52	257,023.68	10,128.84
Energy - Natural Gas	371,482.06	(119,842.82)	251,639.24	141,519.10	110,120.14
Energy - Electricity	1,076,772.42	7,342.82	1,084,115.24	765,687.38	318,427.86
Energy - Oil	10,000.00	(4,380.00)	5,620.00	5,620.00	-
Other Objects	1,675.00	-	1,675.00	1,290.00	385.00
Total Undist. Expend. - Other Oper. & Maint. Of Plant	3,484,607.09	151,058.00	3,635,665.09	2,897,400.97	738,264.12
Total Undist. Expend. - Oper. & Maint. Of Plant	4,163,194.73	183,915.51	4,347,110.24	3,309,483.19	1,037,627.05
Undist. Expend. - Care and Upkeep of Grounds					
Salaries	115,605.00	(20,200.00)	95,405.00	87,824.75	7,580.25
Cleaning, Repair and Maintenance Services	14,100.00	200.00	14,300.00	8,498.00	5,802.00
General Supplies	9,000.00	2,121.00	11,121.00	8,367.87	2,753.13
Total Undist. Expend. - Care and Upkeep of Grounds	138,705.00	(17,879.00)	120,826.00	104,690.62	16,135.38

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Amendments</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Undist. Expend. - Security					
Salaries	\$ 110,392.97	\$ 17,500.00	\$ 127,892.97	\$ 116,010.15	\$ 11,882.82
General Supplies	5,000.00	(1,766.00)	3,234.00	2,186.70	1,047.30
Total Undist. Expend. - Security	115,392.97	15,734.00	131,126.97	118,196.85	12,930.12
Undist. Expend. - Student Transportation Serv.					
Rental Payments - School Buses	-	33,400.00	33,400.00	30,000.00	3,400.00
Internal Service -Aid in Lieu of Payments-Charter School	25,000.00	(9,000.00)	16,000.00	15,096.54	903.46
Contract Serv - Aid in Lieu of Payments - Choice School	-	11,290.00	11,290.00	10,608.00	682.00
Contract Serv (Bet. Home & School)-Vendors	230,153.00	(142,106.00)	88,047.00	86,461.29	1,585.71
Contract Services (Other than Between Home & School)-Vendors	101,735.00	(41,335.00)	60,400.00	44,942.00	15,458.00
Contract Services - (Between Home and Sch) - Joint Agrmts	45,000.00	(25,000.00)	20,000.00	18,677.50	1,322.50
Contr Serv (Spl. Ed. Students)-ESCs & CTSAs	700,000.00	576,816.00	1,276,816.00	1,186,174.52	90,641.48
Miscellaneous Purchased Services - Transportation	-	2,600.00	2,600.00	1,109.65	1,490.35
Total Undist. Expend. - Student Transportation Serv.	1,101,888.00	406,665.00	1,508,553.00	1,393,069.50	115,483.50
UNALLOCATED BENEFITS					
Group Insurance	31,200.00	8,001.00	39,201.00	38,398.77	802.23
Social Security Contributions	554,888.64	(6,001.00)	548,887.64	449,971.65	98,915.99
T.P.A.F Contributions	-	7,000.00	7,000.00	6,866.90	133.10
Other Retirement Contributions - Pers	625,000.00	24,000.00	649,000.00	647,779.67	1,220.33
Other Retirement Contributions - Regular	-	2,000.00	2,000.00	1,732.66	267.34
Unemployment Compensation	50,000.00	1,050,000.00	1,100,000.00	1,100,000.00	-
Workmen's Compensation	330,000.00	15,000.00	345,000.00	326,967.23	18,032.77
Health Benefits	8,092,647.00	(1,432,554.00)	6,660,093.00	5,606,900.12	1,053,192.88
Other Employee Benefits	5,000.00	-	5,000.00	1,922.30	3,077.70
TOTAL UNALLOCATED BENEFITS	9,688,735.64	(332,554.00)	9,356,181.64	8,180,539.30	1,175,642.34
On-Behalf Contributions					
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)	-	-	-	1,574,771.00	(1,574,771.00)
Teacher's Pension & Annuity Fund (On-Behalf - Non-Budgeted)	-	-	-	1,823,883.00	(1,823,883.00)
TPAF Non-contributory Insurance (On-Behalf - Non-Budgeted)	-	-	-	66,083.00	(66,083.00)
Long-Term Disability Insurance (On-Behalf - Non-Budgeted)	-	-	-	2,989.00	(2,989.00)
Reimbursed TPAF Social Security (Non-Budgeted)	-	-	-	1,192,848.09	(1,192,848.09)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	4,660,574.09	(4,660,574.09)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	9,688,735.64	(332,554.00)	9,356,181.64	12,841,113.39	(3,484,931.75)

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
TOTAL UNDISTRIBUTED EXPENDITURES	\$ 24,511,559.87	\$ 361,507.16	\$ 24,873,067.03	\$ 26,144,690.73	\$ (1,271,623.70)
TOTAL GENERAL CURRENT EXPENSE	39,767,945.81	540,927.51	40,308,873.32	40,922,686.27	(613,812.95)
CAPITAL OUTLAY					
Increase in Capital Reserve	200.00	-	200.00	-	200.00
Equipment					
Regular Programs - Instruction:					
Grades 1-5 - Equipment	-	53,271.00	53,271.00	11,675.00	41,596.00
Grades 9-12 - Equipment	7,000.00	5,056.00	12,056.00	12,056.00	-
Undistributed Expenditures:					
Other Oper. & Maint. Of Plant	25,500.00	4,198.49	29,698.49	27,898.49	1,800.00
Total Equipment	32,500.00	62,525.49	95,025.49	51,629.49	43,396.00
Facilities Acquisition and Construction Services					
Legal Services	-	45,000.00	45,000.00	43,146.02	1,853.98
Architectural/Engineering Services	-	32,625.00	32,625.00	20,696.28	11,928.72
Other Purchased Professional and Technical Services	21,558.53	193,463.27	215,021.80	126,737.65	88,284.15
Construction Services	1,719,007.00	(751,846.57)	967,160.43	487,098.60	480,061.83
Supplies and Materials	-	472,884.55	472,884.55	295,966.73	176,917.82
Land Improvements	-	7,873.75	7,873.75	7,873.74	0.01
Total Facilities Acquisition and Construction Services	1,740,565.53	0.00	1,740,565.53	981,519.02	759,046.51
TOTAL CAPITAL OUTLAY	1,773,265.53	62,525.49	1,835,791.02	1,033,148.51	802,642.51
Transfer of Funds to Charter School	253,460.00	-	253,460.00	170,530.00	82,930.00
TOTAL EXPENDITURES	41,794,671.34	603,453.00	42,398,124.34	42,126,364.78	271,759.56
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,377,299.34)	(603,453.00)	(5,980,752.34)	(118,419.71)	5,862,332.63
Other Financing Sources (Uses):					
Operating Transfers Out:					
Contribution to Whole School Reform - General Fund	(25,359,347.00)	-	(25,359,347.00)	(23,666,238.87)	(1,693,108.13)
Local Contribution - Transfer to Special Revenue Fund	(99,920.00)	-	(99,920.00)	(99,920.00)	-
Operating Transfers In:					
Contribution to Whole School Reform - General Fund	25,359,347.00	-	25,359,347.00	23,666,238.87	1,693,108.13
Total Other Financing Sources (Uses):	(99,920.00)	-	(99,920.00)	(99,920.00)	-

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Amendments</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ (5,477,219.34)	\$ (603,453.00)	\$ (6,080,672.34)	\$ (218,339.71)	\$ 5,862,332.63
Fund Balance, July 1	10,881,836.17	-	10,881,836.17	10,881,836.17	-
Fund Balance, June 30	<u>\$ 5,404,616.83</u>	<u>\$ (603,453.00)</u>	<u>\$ 4,801,163.83</u>	<u>\$ 10,663,496.46</u>	<u>\$ 5,862,332.63</u>
Recapitulation:					
Fund Balances:					
Restricted:					
Capital Reserve (\$1,190,416, utilized in 17-18 budget)				\$ 2,238,716.00	
Maintenance Reserve (\$638,550 utilized in 17-18 budget)				3,289,149.00	
Tuition Reserve (\$90,000 utilized in 17-18 budget)				180,000.00	
Emergency Reserve (\$200,000 utilized in 17-18 budget)				400,000.00	
Assigned:					
Designated for Subsequent Year's Expenditures				2,000,000.00	
Designated for Subsequent Year's Expenditures July 1, 2017 - August 1, 2017				512,655.00	
Other Purposes - Funds 11 - 13				641,457.96	
Other Purposes - Fund 15				143,163.53	
Unassigned				<u>1,258,354.97</u>	
				10,663,496.46	
Reconciliation to Governmental Funds Statements(GAAP):					
June State Aid Payments not recognized on GAAP Basis				<u>(3,047,738.00)</u>	
				<u>\$ 7,615,758.46</u>	

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET			BUDGET TRANSFERS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
REVENUES:												
Local Sources:												
Local Tax Levy	\$ 5,227,609.00	\$ -	\$ 5,227,609.00	\$ -	\$ -	\$ -	\$ 5,227,609.00	\$ -	\$ 5,227,609.00	\$ 5,227,609.00	\$ -	\$ 5,227,609.00
Tuition From Other LEAs Within the State	971,063.00	-	971,063.00	-	-	-	971,063.00	-	971,063.00	1,115,396.01	-	1,115,396.01
Transportation Fees from Other LEAs	4,600.00	-	4,600.00	-	-	-	4,600.00	-	4,600.00	13,005.00	-	13,005.00
Interest Earned on Capital Reserve Funds	200.00	-	200.00	-	-	-	200.00	-	200.00	200.00	-	200.00
Unrestricted Miscellaneous Revenues	25,000.00	-	25,000.00	-	-	-	25,000.00	-	25,000.00	242,380.18	-	242,380.18
Total - Local Sources	6,228,472.00	-	6,228,472.00	-	-	-	6,228,472.00	-	6,228,472.00	6,598,590.19	-	6,598,590.19
State Sources:												
Extraordinary Aid	-	-	-	-	-	-	-	-	-	507,012.00	-	507,012.00
Categorical Special Education Aid	1,014,725.00	-	1,014,725.00	-	-	-	1,014,725.00	-	1,014,725.00	1,014,725.00	-	1,014,725.00
Equalization Aid	19,016,980.00	-	19,016,980.00	-	-	-	19,016,980.00	-	19,016,980.00	19,016,980.00	-	19,016,980.00
Categorical Security Aid	591,010.00	-	591,010.00	-	-	-	591,010.00	-	591,010.00	591,010.00	-	591,010.00
Adjustment Aid	9,195,313.00	-	9,195,313.00	-	-	-	9,195,313.00	-	9,195,313.00	9,195,313.00	-	9,195,313.00
Categorical Transportation Aid	233,679.00	-	233,679.00	-	-	-	233,679.00	-	233,679.00	233,679.00	-	233,679.00
PARCC Readiness Aid	18,040.00	-	18,040.00	-	-	-	18,040.00	-	18,040.00	18,040.00	-	18,040.00
Per Pupil Growth Aid	18,040.00	-	18,040.00	-	-	-	18,040.00	-	18,040.00	18,040.00	-	18,040.00
Professional Learning Community Aid	18,830.00	-	18,830.00	-	-	-	18,830.00	-	18,830.00	18,830.00	-	18,830.00
Host District Support Aid	1,575.00	-	1,575.00	-	-	-	1,575.00	-	1,575.00	1,575.00	-	1,575.00
Nonpublic Transportation Aid	-	-	-	-	-	-	-	-	-	174.00	-	174.00
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)	-	-	-	-	-	-	-	-	-	1,574,771.00	-	1,574,771.00
Teacher's Pension & Annuity Fund (On-Behalf - Non-Budgeted)	-	-	-	-	-	-	-	-	-	1,823,883.00	-	1,823,883.00
TPAF Non-contributory Insurance (On-Behalf - Non-Budgeted)	-	-	-	-	-	-	-	-	-	66,083.00	-	66,083.00
Long-Term Disability Insurance (On-Behalf - Non-Budgeted)	-	-	-	-	-	-	-	-	-	2,989.00	-	2,989.00
Reimbursed TPAF Social Security (Non-Budgeted)	-	-	-	-	-	-	-	-	-	1,192,848.09	-	1,192,848.09
Total State Sources	30,108,192.00	-	30,108,192.00	-	-	-	30,108,192.00	-	30,108,192.00	35,275,952.09	-	35,275,952.09
Federal Sources:												
SEMI Medicaid Program	80,708.00	-	80,708.00	-	-	-	80,708.00	-	80,708.00	119,870.65	-	119,870.65
ARRA/SEMI Revenue	-	-	-	-	-	-	-	-	-	13,532.14	-	13,532.14
Total - Federal Sources	80,708.00	-	80,708.00	-	-	-	80,708.00	-	80,708.00	133,402.79	-	133,402.79
Total Revenues	36,417,372.00	-	36,417,372.00	-	-	-	36,417,372.00	-	36,417,372.00	42,007,945.07	-	42,007,945.07
EXPENDITURES:												
Current Expense:												
Regular Programs - Instruction												
Preschool/Kindergarten - Salaries of Teachers	-	477,204.00	477,204.00	-	(27,000.00)	(27,000.00)	-	450,204.00	450,204.00	-	445,798.33	445,798.33
Grades 1-5 - Salaries of Teachers	-	3,760,084.00	3,760,084.00	-	(203,070.00)	(203,070.00)	-	3,557,014.00	3,557,014.00	-	3,464,923.94	3,464,923.94
Grades 6-8 - Salaries of Teachers	-	1,903,017.00	1,903,017.00	-	233,770.00	233,770.00	-	2,136,787.00	2,136,787.00	-	2,119,800.99	2,119,800.99
Grades 9-12 - Salaries of Teachers	-	2,714,753.00	2,714,753.00	-	(293,000.00)	(293,000.00)	-	2,421,753.00	2,421,753.00	-	2,222,765.58	2,222,765.58
Regular Programs - Home Instruction:												
Salaries of Teachers	60,000.00	-	60,000.00	55,000.00	-	55,000.00	115,000.00	-	115,000.00	109,361.23	-	109,361.23
Other Purchased Services (400-500 series)	56,094.60	-	56,094.60	(1,000.00)	-	(1,000.00)	55,094.60	-	55,094.60	49,620.38	-	49,620.38
Regular Programs - Undistributed Instruction												
Other Salaries for Instruction	-	225,577.05	225,577.05	-	(6,000.00)	(6,000.00)	-	219,577.05	219,577.05	-	194,351.27	194,351.27
Unused Vacation Payment to Terminated/Retired Staff	-	-	-	122,770.00	-	122,770.00	122,770.00	-	122,770.00	93,069.00	-	93,069.00
Health Benefits	107,770.00	-	107,770.00	(107,770.00)	-	(107,770.00)	-	-	-	-	-	-
Purchased Professional - Educational Services	-	390,655.00	390,655.00	-	312,449.01	312,449.01	-	703,104.01	703,104.01	-	689,030.67	689,030.67
Other Purchased Services (400-500 series)	-	160,811.18	160,811.18	-	(72,001.19)	(72,001.19)	-	88,809.99	88,809.99	-	68,994.58	68,994.58
General Supplies	-	251,350.31	251,350.31	-	117,172.47	117,172.47	-	368,522.78	368,522.78	-	337,946.49	337,946.49
Textbooks	-	95,000.00	95,000.00	-	(144.93)	(144.93)	-	94,855.07	94,855.07	-	93,744.64	93,744.64
Other Objects	-	22,845.00	22,845.00	-	957.99	957.99	-	23,802.99	23,802.99	-	18,555.41	18,555.41
TOTAL REGULAR PROGRAMS - INSTRUCTION	223,864.60	10,001,296.54	10,225,161.14	69,000.00	63,133.35	132,133.35	292,864.60	10,064,429.89	10,357,294.49	252,050.61	9,655,911.90	9,907,962.51
SPECIAL EDUCATION - INSTRUCTION												
Learning and/or Language Disabilities:												
Salaries of Teachers	-	346,526.00	346,526.00	-	141,900.00	141,900.00	-	488,426.00	488,426.00	-	480,428.85	480,428.85
Other Salaries for Instruction	-	262,619.12	262,619.12	-	71,200.00	71,200.00	-	333,819.12	333,819.12	-	330,041.74	330,041.74
General Supplies	-	2,124.74	2,124.74	-	-	-	-	2,124.74	2,124.74	-	1,989.48	1,989.48
Other Objects	-	400.00	400.00	-	(400.00)	(400.00)	-	-	-	-	-	-
Total Learning and/or Language Disabilities	-	611,669.86	611,669.86	-	212,700.00	212,700.00	-	824,369.86	824,369.86	-	812,460.07	812,460.07
Behavioral Disabilities:												
Salaries of Teachers	-	194,113.00	194,113.00	-	1,800.00	1,800.00	-	195,913.00	195,913.00	-	194,820.23	194,820.23
Other Salaries for Instruction	-	172,706.00	172,706.00	-	(44,800.00)	(44,800.00)	-	127,906.00	127,906.00	-	126,304.50	126,304.50
General Supplies	-	2,289.10	2,289.10	-	(144.70)	(144.70)	-	2,144.40	2,144.40	-	1,817.31	1,817.31
Other Objects	-	200.00	200.00	-	(200.00)	(200.00)	-	-	-	-	-	-
Total Behavioral Disabilities	-	369,308.10	369,308.10	-	(43,344.70)	(43,344.70)	-	325,963.40	325,963.40	-	322,942.04	322,942.04

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET			BUDGET TRANSFERS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Multiple Disabilities:												
Salaries of Teachers	\$ -	\$ 256,624.00	\$ 256,624.00	\$ -	\$ 72,000.00	\$ 72,000.00	\$ -	\$ 328,624.00	\$ 328,624.00	\$ -	\$ 325,024.48	\$ 325,024.48
Other Salaries for Instruction	-	143,345.00	143,345.00	-	86,000.00	86,000.00	-	229,345.00	229,345.00	-	219,941.54	219,941.54
General Supplies	-	3,200.00	3,200.00	-	(2,067.50)	(2,067.50)	-	1,132.50	1,132.50	-	1,010.59	1,010.59
Textbooks	-	-	-	-	212.20	212.20	-	212.20	212.20	-	212.20	212.20
Other Objects	-	200.00	200.00	-	(200.00)	(200.00)	-	-	-	-	-	-
Total Multiple Disabilities	-	403,369.00	403,369.00	-	155,944.70	155,944.70	-	559,313.70	559,313.70	-	546,188.81	546,188.81
Resource Room/Resource Center:												
Salaries of Teachers	-	1,821,660.00	1,821,660.00	-	(126,100.00)	(126,100.00)	-	1,695,560.00	1,695,560.00	-	1,688,602.05	1,688,602.05
Other Salaries for Instruction	-	318,079.00	318,079.00	-	(46,400.00)	(46,400.00)	-	271,679.00	271,679.00	-	258,045.65	258,045.65
Other Purchased Services (400-500 series)	-	2,500.00	2,500.00	-	(2,500.00)	(2,500.00)	-	-	-	-	-	-
General Supplies	-	1,880.00	1,880.00	-	(500.00)	(500.00)	-	1,380.00	1,380.00	-	995.64	995.64
Total Resource Room/Resource Center	-	2,144,119.00	2,144,119.00	-	(175,500.00)	(175,500.00)	-	1,968,619.00	1,968,619.00	-	1,947,643.34	1,947,643.34
Autism:												
Salaries of Teachers	-	190,287.00	190,287.00	-	(2,000.00)	(2,000.00)	-	188,287.00	188,287.00	-	127,309.32	127,309.32
Other Salaries for Instruction	-	361,211.20	361,211.20	-	(64,900.00)	(64,900.00)	-	296,311.20	296,311.20	-	266,126.57	266,126.57
Other Purchased Services	-	-	-	-	600.00	600.00	-	600.00	600.00	-	600.00	600.00
General Supplies	-	2,000.00	2,000.00	-	(1,000.00)	(1,000.00)	-	1,000.00	1,000.00	-	882.47	882.47
Other Objects	-	400.00	400.00	-	(400.00)	(400.00)	-	-	-	-	-	-
Total Autism	-	553,898.20	553,898.20	-	(67,700.00)	(67,700.00)	-	486,198.20	486,198.20	-	394,918.36	394,918.36
Preschool Disabilities - Full-Time:												
Salaries of Teachers	-	82,167.00	82,167.00	-	6,000.00	6,000.00	-	88,167.00	88,167.00	-	83,960.05	83,960.05
Other Salaries for Instruction	-	100,976.64	100,976.64	-	(45,700.00)	(45,700.00)	-	55,276.64	55,276.64	-	36,814.84	36,814.84
General Supplies	-	1,000.00	1,000.00	-	(600.00)	(600.00)	-	400.00	400.00	-	400.00	400.00
Total Preschool Disabilities - Full-Time	-	184,143.64	184,143.64	-	(40,300.00)	(40,300.00)	-	143,843.64	143,843.64	-	121,174.89	121,174.89
TOTAL SPECIAL EDUCATION - INSTRUCTION	-	4,266,507.80	4,266,507.80	-	41,800.00	41,800.00	-	4,308,307.80	4,308,307.80	-	4,145,327.51	4,145,327.51
Bilingual Education - Instruction												
Salaries of Teachers	-	125,127.00	125,127.00	-	11,000.00	11,000.00	-	136,127.00	136,127.00	-	134,182.00	134,182.00
Purchased Professional - Educational Services	-	1,400.00	1,400.00	-	(352.00)	(352.00)	-	1,048.00	1,048.00	-	1,043.77	1,043.77
General Supplies	-	1,800.00	1,800.00	-	(800.00)	(800.00)	-	1,000.00	1,000.00	-	272.51	272.51
Total Bilingual Education - Instruction	-	128,327.00	128,327.00	-	9,848.00	9,848.00	-	138,175.00	138,175.00	-	135,498.28	135,498.28
School-Spon. Cocurricular Actvts. - Inst.												
Salaries	-	86,387.00	86,387.00	-	1,300.00	1,300.00	-	87,687.00	87,687.00	-	71,473.88	71,473.88
Purchased Services (300-500 series)	-	5,500.00	5,500.00	-	(248.27)	(248.27)	-	5,251.73	5,251.73	-	4,869.54	4,869.54
Supplies and Materials	-	15,800.00	15,800.00	-	(2,812.73)	(2,812.73)	-	12,987.27	12,987.27	-	10,838.50	10,838.50
Other Objects	-	12,900.00	12,900.00	-	400.00	400.00	-	13,300.00	13,300.00	-	12,620.87	12,620.87
Total School-Spon. Cocurricular Actvts. - Inst.	-	120,587.00	120,587.00	-	(1,361.00)	(1,361.00)	-	119,226.00	119,226.00	-	99,802.79	99,802.79
School-Spon. Cocurricular Athletics - Inst.												
Salaries	-	329,288.00	329,288.00	-	(3,498.00)	(3,498.00)	-	325,790.00	325,790.00	-	320,218.00	320,218.00
Purchased Services (300-500 series)	-	64,000.00	64,000.00	-	(2,102.00)	(2,102.00)	-	61,898.00	61,898.00	-	55,092.02	55,092.02
Supplies and Materials	-	100,515.00	100,515.00	-	1,500.00	1,500.00	-	102,015.00	102,015.00	-	93,709.93	93,709.93
Other Objects	-	22,000.00	22,000.00	-	(1,100.00)	(1,100.00)	-	23,100.00	23,100.00	-	20,384.50	20,384.50
Total School-Spon. Cocurricular Athletics - Inst.	-	515,803.00	515,803.00	-	(3,000.00)	(3,000.00)	-	512,803.00	512,803.00	-	489,404.45	489,404.45
Total Instruction	223,864.60	15,032,521.34	15,256,385.94	69,000.00	110,420.35	179,420.35	292,864.60	15,142,941.69	15,435,806.29	252,050.61	14,525,944.93	14,777,995.54
Undistributed Expenditures - Instruction:												
Tuition to Other LEAs Within the State - Regular	93,000.00	-	93,000.00	(9,000.00)	-	(9,000.00)	84,000.00	-	84,000.00	79,485.54	-	79,485.54
Tuition to Other LEAs Within the State - Special	90,000.00	-	90,000.00	(76,700.00)	-	(76,700.00)	13,300.00	-	13,300.00	7,000.00	-	7,000.00
Tuition to Vocational School Districts - Regular	74,800.00	-	74,800.00	(10,000.00)	-	(10,000.00)	64,800.00	-	64,800.00	59,622.00	-	59,622.00
Tuition to Vocational School Districts - Special	15,000.00	-	15,000.00	(7,000.00)	-	(7,000.00)	8,000.00	-	8,000.00	-	-	-
Tuition to CSSD & Regional Day Schools	942,822.00	-	942,822.00	(291,631.00)	-	(291,631.00)	651,191.00	-	651,191.00	413,654.54	-	413,654.54
Tuition to Private Schools for the Disabled - Within State	1,298,000.00	-	1,298,000.00	482,000.00	-	482,000.00	1,780,000.00	-	1,780,000.00	1,665,316.56	-	1,665,316.56
Tuition to Private Schools for the Disabled & Other LEA	10,000.00	-	10,000.00	-	-	-	10,000.00	-	10,000.00	-	-	-
Tuition - State Facilities	32,306.00	-	32,306.00	-	-	-	32,306.00	-	32,306.00	32,306.00	-	32,306.00
Total Undistributed Expenditures - Instruction:	2,555,928.00	-	2,555,928.00	87,669.00	-	87,669.00	2,643,597.00	-	2,643,597.00	2,257,384.64	-	2,257,384.64

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET			BUDGET TRANSFERS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Undist. Expend. - Attend. & Social Work												
Salaries of Drop-Out Prevention Officer/Coordinator	\$ -	\$ 62,095.00	\$ 62,095.00	\$ -	\$ (2,500.00)	\$ (2,500.00)	\$ -	\$ 59,595.00	\$ 59,595.00	\$ -	\$ 59,438.88	\$ 59,438.88
Purchased Professional and Technical Services	-	66,000.00	66,000.00	-	(700.00)	(700.00)	-	65,300.00	65,300.00	-	65,300.00	65,300.00
Purchased Services (300-500 series)	-	1,000.00	1,000.00	-	(1,000.00)	(1,000.00)	-	-	-	-	-	-
Supplies and Materials	-	475.00	475.00	-	(275.00)	(275.00)	-	200.00	200.00	-	-	-
Other Objects	-	275.00	275.00	-	(275.00)	(275.00)	-	-	-	-	-	-
Total Undist. Expend. - Attend. & Social Work	-	129,845.00	129,845.00	-	(4,750.00)	(4,750.00)	-	125,095.00	125,095.00	-	124,738.88	124,738.88
Undist. Expend. - Health Services												
Salaries	14,468.00	234,393.00	248,861.00	-	84,100.00	84,100.00	14,468.00	318,493.00	332,961.00	14,059.00	310,722.84	324,781.84
Purchased Professional and Technical Services	8,666.50	-	8,666.50	(2,876.90)	-	(2,876.90)	5,789.60	-	5,789.60	4,480.50	-	4,480.50
Other Purchased Services (400-500 series)	-	500.00	500.00	-	469.25	469.25	-	969.25	969.25	-	960.93	960.93
Supplies and Materials	-	9,150.00	9,150.00	-	22.00	22.00	-	9,172.00	9,172.00	-	8,145.78	8,145.78
Other Objects	-	1,100.00	1,100.00	-	(491.25)	(491.25)	-	608.75	608.75	-	273.50	273.50
Total Undist. Expend. - Health Services	23,134.50	245,143.00	268,277.50	(2,876.90)	84,100.00	81,223.10	20,257.60	329,243.00	349,500.60	18,539.50	320,103.05	338,642.55
Undist. Expend. - Other Supp. Serv. Students - Related Serv.												
Purchased Professional - Educational Services	-	-	-	5,700.00	-	5,700.00	5,700.00	-	5,700.00	5,700.00	-	5,700.00
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	-	-	-	5,700.00	-	5,700.00	5,700.00	-	5,700.00	5,700.00	-	5,700.00
Undist. Expend. - Other Supp. Serv. Students - Reg.												
Salaries of Other Professional Staff	80,790.00	526,107.00	606,897.00	5,200.00	(14,400.00)	(9,200.00)	85,990.00	511,707.00	597,697.00	85,918.00	488,527.02	574,445.02
Salaries of Secretarial and Clerical Assistants	-	37,802.00	37,802.00	-	400.00	400.00	-	38,202.00	38,202.00	-	38,021.88	38,021.88
Purchased Professional - Educational Services	-	2,700.00	2,700.00	-	-	-	-	2,700.00	2,700.00	-	2,455.00	2,455.00
Other Purchased Services (400-500 series)	-	1,400.00	1,400.00	-	4,028.50	4,028.50	-	5,428.50	5,428.50	-	5,417.80	5,417.80
Supplies and Materials	-	18,945.00	18,945.00	-	3,341.50	3,341.50	-	22,286.50	22,286.50	-	17,709.47	17,709.47
Other Objects	-	1,379.00	1,379.00	-	-	-	-	1,379.00	1,379.00	-	1,101.25	1,101.25
Total Undist. Expend. - Other Supp. Serv. Students - Reg.	80,790.00	588,333.00	669,123.00	5,200.00	(6,630.00)	(1,430.00)	85,990.00	581,703.00	667,693.00	85,918.00	553,232.42	639,150.42
Undist. Expend. - Other Supp. Serv. Students - Spl.												
Salaries of Other Professional Staff	797,247.00	-	797,247.00	(27,000.00)	-	(27,000.00)	770,247.00	-	770,247.00	769,480.78	-	769,480.78
Salaries of Secretarial and Clerical Assistants	104,573.00	-	104,573.00	(33,950.00)	-	(33,950.00)	70,623.00	-	70,623.00	70,432.30	-	70,432.30
Purchased Professional - Educational Services	6,000.00	-	6,000.00	(6,000.00)	-	(6,000.00)	-	-	-	-	-	-
Other Purchased Prof. and Tech. Services	173,956.00	-	173,956.00	104,545.00	-	104,545.00	278,501.00	-	278,501.00	245,414.89	-	245,414.89
Misc. Purchase Serv. (400-500 series)	21,841.30	-	21,841.30	(13,433.10)	-	(13,433.10)	8,408.20	-	8,408.20	7,754.96	-	7,754.96
Supplies and Materials	16,000.00	-	16,000.00	(10,200.00)	-	(10,200.00)	5,800.00	-	5,800.00	5,551.44	-	5,551.44
Other Objects	1,000.00	-	1,000.00	(500.00)	-	(500.00)	500.00	-	500.00	425.00	-	425.00
Total Undist. Expend. - Other Supp. Serv. Students - Spl	1,120,617.30	-	1,120,617.30	13,461.90	-	13,461.90	1,134,079.20	-	1,134,079.20	1,099,059.37	-	1,099,059.37
Undist. Expend. - Improvement of Inst. Serv.												
Salaries of Supervisor of Instruction	-	20,540.00	20,540.00	-	(13,000.00)	(13,000.00)	-	7,540.00	7,540.00	-	7,454.50	7,454.50
Salaries of Secretarial and Clerical Assistants	59,661.00	-	59,661.00	11,850.00	-	11,850.00	71,511.00	-	71,511.00	60,007.95	-	60,007.95
Other Salaries	137,003.00	-	137,003.00	-	(271,298.00)	(271,298.00)	137,003.00	-	137,003.00	137,001.84	-	137,001.84
Salaries of Facilitators, Math and Literacy Coaches	-	317,407.88	317,407.88	-	(271,298.00)	(271,298.00)	-	46,109.88	46,109.88	-	26,628.51	26,628.51
Purchased Professional - Educational Services	131,660.00	-	131,660.00	-	207,298.00	207,298.00	-	605,984.00	605,984.00	-	564,156.37	564,156.37
Other Purch Services (400-500)	7,500.00	-	7,500.00	2,200.00	-	2,200.00	131,660.00	-	131,660.00	129,780.70	-	129,780.70
Supplies and Materials	14,000.00	2,000.00	16,000.00	(4,000.00)	(1,265.35)	(5,265.35)	10,000.00	734.65	10,734.65	9,138.87	-	9,138.87
Other Objects	2,570.00	-	2,570.00	1,800.00	-	1,800.00	4,370.00	-	4,370.00	4,355.00	-	4,355.00
Total Undist. Expend. - Improvement of Inst. Serv.	352,394.00	738,633.88	1,091,027.88	11,850.00	(78,265.35)	(66,415.35)	364,244.00	660,368.53	1,024,612.53	347,994.00	598,774.03	946,768.03
Undist. Expend. - Edu. Media Serv./Sch. Library												
Salaries	-	172,369.00	172,369.00	-	(23,000.00)	(23,000.00)	-	149,369.00	149,369.00	-	148,257.01	148,257.01
Salaries of Technology Coordinators	-	169,041.00	169,041.00	-	(2,100.00)	(2,100.00)	-	166,941.00	166,941.00	-	160,258.75	160,258.75
Purchased Professional and Technical Services	-	132,850.00	132,850.00	-	(3,660.00)	(3,660.00)	-	129,190.00	129,190.00	-	124,624.02	124,624.02
Other Purchased Services (400-500 series)	-	5,800.00	5,800.00	-	3,460.00	3,460.00	-	9,260.00	9,260.00	-	9,223.56	9,223.56
Supplies and Materials	-	34,300.00	34,300.00	-	(1,174.00)	(1,174.00)	-	33,126.00	33,126.00	-	26,301.10	26,301.10
Other Objects	-	200.00	200.00	-	-	-	-	200.00	200.00	-	-	-
Total Undist. Expend. - Edu. Media Serv./Sch. Library	-	514,560.00	514,560.00	-	(26,474.00)	(26,474.00)	-	488,086.00	488,086.00	-	458,664.44	458,664.44
Undist. Expend. - Instructional Staff Training Serv.												
Tuition Reimbursement	118,000.00	-	118,000.00	-	-	-	118,000.00	-	118,000.00	91,086.30	-	91,086.30
Purchased Professional - Educational Services	16,000.00	10,000.00	26,000.00	-	(6,415.00)	(6,415.00)	16,000.00	3,585.00	19,585.00	11,206.71	2,984.98	14,191.69
Other Purchased Services (400-500 series)	-	1,000.00	1,000.00	-	(690.00)	(690.00)	-	310.00	310.00	-	310.00	310.00
Total Undist. Expend. - Instructional Staff Training Serv.	134,000.00	11,000.00	145,000.00	-	(7,105.00)	(7,105.00)	134,000.00	3,895.00	137,895.00	102,293.01	3,294.98	105,587.99

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET			BUDGET TRANSFERS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Undist. Expend. - Supp. Serv. - General Admin.												
Salaries	\$ 248,623.00	\$ -	\$ 248,623.00	\$ 54,500.00	\$ -	\$ 54,500.00	\$ 303,123.00	\$ -	\$ 303,123.00	\$ 258,437.08	\$ -	\$ 258,437.08
Legal Services	75,000.00	-	75,000.00	50,000.00	-	50,000.00	125,000.00	-	125,000.00	101,606.22	-	101,606.22
Audit Fees	39,000.00	-	39,000.00	-	-	-	39,000.00	-	39,000.00	34,860.00	-	34,860.00
Architectural/Engineering Services	38,000.00	-	38,000.00	(36,000.00)	-	(36,000.00)	2,000.00	-	2,000.00	-	-	-
Other Purchased Professional Services	28,000.00	-	28,000.00	(14,401.00)	-	(14,401.00)	13,599.00	-	13,599.00	12,531.00	-	12,531.00
Purchased Technical Services	10,800.00	-	10,800.00	5,001.00	-	5,001.00	15,801.00	-	15,801.00	15,500.00	-	15,500.00
Communications/Telephone	155,183.05	-	155,183.05	(4,600.00)	-	(4,600.00)	150,583.05	-	150,583.05	87,401.19	-	87,401.19
BOE Other Purchased Services	11,200.00	-	11,200.00	-	-	-	11,200.00	-	11,200.00	1,164.48	-	1,164.48
Other Purchased Services (400-500 series)	52,098.90	-	52,098.90	-	-	-	52,098.90	-	52,098.90	8,942.31	-	8,942.31
General Supplies	18,000.00	-	18,000.00	-	-	-	18,000.00	-	18,000.00	4,415.83	-	4,415.83
BOE In-House Training/Meeting Supplies	4,000.00	-	4,000.00	(2,700.00)	-	(2,700.00)	1,300.00	-	1,300.00	185.50	-	185.50
Miscellaneous Expenditures	15,168.00	-	15,168.00	(1,000.00)	-	(1,000.00)	14,168.00	-	14,168.00	9,468.90	-	9,468.90
BOE Membership Dues and Fees	21,000.00	-	21,000.00	3,700.00	-	3,700.00	24,700.00	-	24,700.00	23,830.11	-	23,830.11
Total Undist. Expend. - Supp. Serv. - General Admin.	716,072.95	-	716,072.95	54,500.00	-	54,500.00	770,572.95	-	770,572.95	558,342.62	-	558,342.62
Undist. Expend. - Support Serv. - School Admin.												
Salaries of Principals/Assistant Principals	-	873,349.00	873,349.00	-	(17,000.00)	(17,000.00)	-	856,349.00	856,349.00	-	853,333.50	853,333.50
Salaries of Secretarial and Clerical Assistants	-	462,205.00	462,205.00	-	5,000.00	5,000.00	-	467,205.00	467,205.00	-	463,142.18	463,142.18
Other Purchased Services (400-500 series)	-	41,700.00	41,700.00	-	(7,148.42)	(7,148.42)	-	34,551.58	34,551.58	-	27,156.82	27,156.82
Supplies and Materials	-	43,450.00	43,450.00	-	(11,482.89)	(11,482.89)	-	31,967.11	31,967.11	-	25,408.44	25,408.44
Other Objects	-	17,650.00	17,650.00	-	12,487.31	12,487.31	-	30,137.31	30,137.31	-	29,749.01	29,749.01
Total Undist. Expend. - Support Serv. - School Admin.	-	1,438,354.00	1,438,354.00	-	(18,144.00)	(18,144.00)	-	1,420,210.00	1,420,210.00	-	1,398,789.95	1,398,789.95
Undistributed Expenditures - Central Services												
Salaries	439,784.00	-	439,784.00	(12,610.00)	-	(12,610.00)	427,174.00	-	427,174.00	346,080.64	-	346,080.64
Purchased Professional Services	12,855.00	-	12,855.00	-	-	-	12,855.00	-	12,855.00	4,905.63	-	4,905.63
Purchased Technical Services	64,000.00	-	64,000.00	-	-	-	64,000.00	-	64,000.00	26,121.05	-	26,121.05
Misc. Purch. Services (400-500 Series)	11,698.90	-	11,698.90	-	-	-	11,698.90	-	11,698.90	6,141.49	-	6,141.49
Supplies and Materials	28,000.00	-	28,000.00	-	-	-	28,000.00	-	28,000.00	11,187.27	-	11,187.27
Interest on Lease Purchase Agreements	4,500.00	-	4,500.00	-	-	-	4,500.00	-	4,500.00	-	-	-
Other Object	4,000.00	-	4,000.00	-	-	-	4,000.00	-	4,000.00	3,395.00	-	3,395.00
Total Undist. Expend. - Central Services	564,837.90	-	564,837.90	(12,610.00)	-	(12,610.00)	552,227.90	-	552,227.90	397,831.08	-	397,831.08
Undistributed Expenditures - Admin. Info. Tech.												
Purchased Technical Services	26,600.00	-	26,600.00	-	-	-	26,600.00	-	26,600.00	15,181.01	-	15,181.01
Other Purchased Services (400-500 series)	60,500.00	-	60,500.00	-	-	-	60,500.00	-	60,500.00	30,270.23	-	30,270.23
Supplies and Materials	2,900.00	-	2,900.00	-	-	-	2,900.00	-	2,900.00	2,025.97	-	2,025.97
Total Undist. Expend. - Admin. Info. Tech.	90,000.00	-	90,000.00	-	-	-	90,000.00	-	90,000.00	47,477.21	-	47,477.21
Undist. Expend. -Required Maintenance for School Facilities												
Salaries	-	-	-	18,510.00	-	18,510.00	18,510.00	-	18,510.00	18,501.48	-	18,501.48
Cleaning, Repair, and Maintenance Services	530,287.64	-	530,287.64	13,622.51	-	13,622.51	543,910.15	-	543,910.15	373,118.83	-	373,118.83
General Supplies	148,300.00	-	148,300.00	725.00	-	725.00	149,025.00	-	149,025.00	20,461.91	-	20,461.91
Total Undist. Expend. -Required Maint. for School Facilities	678,587.64	-	678,587.64	32,857.51	-	32,857.51	711,445.15	-	711,445.15	412,082.22	-	412,082.22
Undist. Expend. - Other Oper. & Maint. Of Plant												
Salaries	1,225,898.00	-	1,225,898.00	40,350.00	-	40,350.00	1,266,248.00	-	1,266,248.00	1,169,812.79	-	1,169,812.79
Salaries of Non-Instructional Aides	167,836.54	-	167,836.54	(61,000.00)	-	(61,000.00)	106,836.54	-	106,836.54	34,427.77	-	34,427.77
Purchased Professional and Technical Services	11,300.00	-	11,300.00	(4,000.00)	-	(4,000.00)	7,300.00	-	7,300.00	2,300.00	-	2,300.00
Cleaning, Repair and Maintenance Services	72,669.55	-	72,669.55	70,309.00	-	70,309.00	142,978.55	-	142,978.55	128,867.76	-	128,867.76
Other Purchased Property Services	137,000.00	-	137,000.00	-	-	-	137,000.00	-	137,000.00	103,552.00	-	103,552.00
Insurance	250,000.00	-	250,000.00	111,000.00	-	111,000.00	361,000.00	-	361,000.00	283,667.18	-	283,667.18
Miscellaneous Purchased Services	2,600.00	-	2,600.00	1,500.00	-	1,500.00	4,100.00	-	4,100.00	3,633.31	-	3,633.31
General Supplies	157,373.52	-	157,373.52	109,779.00	-	109,779.00	267,152.52	-	267,152.52	257,023.68	-	257,023.68
Energy - Natural Gas	371,482.06	-	371,482.06	(119,842.82)	-	(119,842.82)	251,639.24	-	251,639.24	141,519.10	-	141,519.10
Energy - Electricity	1,076,772.42	-	1,076,772.42	7,342.82	-	7,342.82	1,084,115.24	-	1,084,115.24	765,687.38	-	765,687.38
Energy - Oil	10,000.00	-	10,000.00	(4,380.00)	-	(4,380.00)	5,620.00	-	5,620.00	5,620.00	-	5,620.00
Other Objects	1,675.00	-	1,675.00	-	-	-	1,675.00	-	1,675.00	1,290.00	-	1,290.00
Total Undist. Expend. - Other Oper. & Maint. Of Plant	3,484,607.09	-	3,484,607.09	151,058.00	-	151,058.00	3,635,665.09	-	3,635,665.09	2,897,400.97	-	2,897,400.97
Total Undist. Expend. - Oper. & Maint. Of Plant	4,163,194.73	-	4,163,194.73	183,915.51	-	183,915.51	4,347,110.24	-	4,347,110.24	3,309,483.19	-	3,309,483.19
Undist. Expend. - Care and Upkeep of Grounds												
Salaries	115,605.00	-	115,605.00	(20,200.00)	-	(20,200.00)	95,405.00	-	95,405.00	87,824.75	-	87,824.75
Cleaning, Repair and Maintenance Services	14,100.00	-	14,100.00	200.00	-	200.00	14,300.00	-	14,300.00	8,498.00	-	8,498.00
General Supplies	9,000.00	-	9,000.00	2,121.00	-	2,121.00	11,121.00	-	11,121.00	8,367.87	-	8,367.87
Total Undist. Expend. - Care and Upkeep of Grounds	138,705.00	-	138,705.00	(17,879.00)	-	(17,879.00)	120,826.00	-	120,826.00	104,690.62	-	104,690.62

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET			BUDGET TRANSFERS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Undist. Expend. - Security												
Salaries	\$ 7,899.00	\$ 102,493.97	\$ 110,392.97	\$ 16,000.00	\$ 1,500.00	\$ 17,500.00	\$ 23,899.00	\$ 103,993.97	\$ 127,892.97	\$ 22,772.80	\$ 93,237.35	\$ 116,010.15
General Supplies	-	5,000.00	5,000.00	-	(1,766.00)	(1,766.00)	-	3,234.00	3,234.00	-	2,186.70	2,186.70
Total Undist. Expend. - Security	7,899.00	107,493.97	115,392.97	16,000.00	(266.00)	15,734.00	23,899.00	107,227.97	131,126.97	22,772.80	95,424.05	118,196.85
Undist. Expend. - Student Transportation Serv.												
Rental Payments - School Buses	-	-	-	33,400.00	-	33,400.00	33,400.00	-	33,400.00	30,000.00	-	30,000.00
Internal Service - Aid in Lieu of Payments-Charter School	25,000.00	-	25,000.00	(9,000.00)	-	(9,000.00)	16,000.00	-	16,000.00	15,096.54	-	15,096.54
Contract Serv - Aid in Lieu of Payments - Choice School	-	-	-	11,290.00	-	11,290.00	11,290.00	-	11,290.00	10,608.00	-	10,608.00
Contract Serv (Bet. Home & School)-Vendors	230,153.00	-	230,153.00	(142,106.00)	-	(142,106.00)	88,047.00	-	88,047.00	86,461.29	-	86,461.29
Contract Serv (Other than Bet. Home & School)-Vendors	-	101,735.00	101,735.00	-	(41,335.00)	(41,335.00)	-	60,400.00	60,400.00	-	44,942.00	44,942.00
Contract Serv (Between Home and Sch) - Joint Agrmts	45,000.00	-	45,000.00	(25,000.00)	-	(25,000.00)	20,000.00	-	20,000.00	18,677.50	-	18,677.50
Contr Serv (Spl. Ed. Students)-ESCs & CTSAs	700,000.00	-	700,000.00	576,816.00	-	576,816.00	1,276,816.00	-	1,276,816.00	1,186,174.52	-	1,186,174.52
Miscellaneous Purchased Services - Transportation	-	-	-	2,600.00	-	2,600.00	2,600.00	-	2,600.00	1,109.65	-	1,109.65
Total Undist. Expend. - Student Transportation Serv.	1,000,153.00	101,735.00	1,101,888.00	448,000.00	(41,335.00)	406,665.00	1,448,153.00	60,400.00	1,508,553.00	1,348,127.50	44,942.00	1,393,069.50
UNALLOCATED BENEFITS												
Group Insurance	31,200.00	-	31,200.00	8,001.00	-	8,001.00	39,201.00	-	39,201.00	38,398.77	-	38,398.77
Social Security Contributions	554,888.64	-	554,888.64	(6,001.00)	-	(6,001.00)	548,887.64	-	548,887.64	449,971.65	-	449,971.65
T.P.A.F Contributions	-	-	-	7,000.00	-	7,000.00	7,000.00	-	7,000.00	6,866.90	-	6,866.90
Other Retirement Contributions - PERS	625,000.00	-	625,000.00	24,000.00	-	24,000.00	649,000.00	-	649,000.00	647,779.67	-	647,779.67
Other Retirement Contributions - Regular	-	-	-	2,000.00	-	2,000.00	2,000.00	-	2,000.00	1,732.66	-	1,732.66
Unemployment Compensation	50,000.00	-	50,000.00	1,050,000.00	-	1,050,000.00	1,100,000.00	-	1,100,000.00	1,100,000.00	-	1,100,000.00
Workmen's Compensation	330,000.00	-	330,000.00	15,000.00	-	15,000.00	345,000.00	-	345,000.00	326,967.23	-	326,967.23
Health Benefits	1,592,647.00	6,500,000.00	8,092,647.00	(1,362,676.00)	(69,878.00)	(1,432,554.00)	229,971.00	6,430,122.00	6,660,093.00	176,192.32	5,430,707.80	5,606,900.12
Other Employee Benefits	5,000.00	-	5,000.00	-	-	-	5,000.00	-	5,000.00	1,922.30	-	1,922.30
TOTAL UNALLOCATED BENEFITS	3,188,735.64	6,500,000.00	9,688,735.64	(262,676.00)	(69,878.00)	(332,554.00)	2,926,059.64	6,430,122.00	9,356,181.64	2,749,831.50	5,430,707.80	8,180,539.30
On-Behalf Contributions												
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)	-	-	-	-	-	-	-	-	-	1,574,771.00	-	1,574,771.00
Teacher's Pension & Annuity Fund (On-Behalf - Non-Budgeted)	-	-	-	-	-	-	-	-	-	1,823,883.00	-	1,823,883.00
TPAF Non-contributory Insurance (On-Behalf - Non-Budgeted)	-	-	-	-	-	-	-	-	-	66,083.00	-	66,083.00
Long-Term Disability Insurance (On-Behalf - Non-Budgeted)	-	-	-	-	-	-	-	-	-	2,989.00	-	2,989.00
Reimbursed TPAF Social Security (Non-Budgeted)	-	-	-	-	-	-	-	-	-	1,192,848.09	-	1,192,848.09
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	4,660,574.09	-	4,660,574.09
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	3,188,735.64	6,500,000.00	9,688,735.64	(262,676.00)	(69,878.00)	(332,554.00)	2,926,059.64	6,430,122.00	9,356,181.64	7,410,405.59	5,430,707.80	12,841,113.39
TOTAL UNDISTRIBUTED EXPENDITURES	14,136,462.02	10,375,097.85	24,511,559.87	530,254.51	(168,747.35)	361,507.16	14,666,716.53	10,206,350.50	24,873,067.03	17,116,019.13	9,028,671.60	26,144,690.73
TOTAL GENERAL CURRENT EXPENSE	14,360,326.62	25,407,619.19	39,767,945.81	599,254.51	(58,327.00)	540,927.51	14,959,581.13	25,349,292.19	40,308,873.32	17,368,069.74	23,554,616.53	40,922,686.27
CAPITAL OUTLAY												
Increase in Capital Reserve	200.00	-	200.00	-	-	-	200.00	-	200.00	-	-	-
Equipment												
Regular Programs - Instruction:												
Grades 1-5	-	-	-	-	53,271.00	53,271.00	-	53,271.00	53,271.00	-	11,675.00	11,675.00
Grades 9-12	-	7,000.00	7,000.00	-	5,056.00	5,056.00	-	12,056.00	12,056.00	-	12,056.00	12,056.00
Undistributed Expenditures:												
Other Oper. & Maint. Of Plant	25,500.00	-	25,500.00	4,198.49	-	4,198.49	29,698.49	-	29,698.49	27,898.49	-	27,898.49
Total Equipment	25,500.00	7,000.00	32,500.00	4,198.49	58,327.00	62,525.49	29,698.49	65,327.00	95,025.49	27,898.49	23,731.00	51,629.49
Facilities Acquisition and Construction Services												
Legal Services	-	-	-	45,000.00	-	45,000.00	45,000.00	-	45,000.00	43,146.02	-	43,146.02
Architectural/Engineering Services	-	-	-	32,625.00	-	32,625.00	32,625.00	-	32,625.00	20,696.28	-	20,696.28
Other Purchased Prof. and Tech. Services	21,558.53	-	21,558.53	193,463.27	-	193,463.27	215,021.80	-	215,021.80	126,737.65	-	126,737.65
Construction Services	1,719,007.00	-	1,719,007.00	(751,846.57)	-	(751,846.57)	967,160.43	-	967,160.43	487,098.60	-	487,098.60
Supplies and Materials	-	-	-	472,884.55	-	472,884.55	472,884.55	-	472,884.55	295,966.73	-	295,966.73
Land and Improvements	-	-	-	7,873.75	-	7,873.75	7,873.75	-	7,873.75	7,873.74	-	7,873.74
Total Facilities Acquisition and Construction Services	1,740,565.53	-	1,740,565.53	0.00	-	0.00	1,740,565.53	-	1,740,565.53	981,519.02	-	981,519.02
TOTAL CAPITAL OUTLAY	1,766,265.53	7,000.00	1,773,265.53	4,198.49	58,327.00	62,525.49	1,770,464.02	65,327.00	1,835,791.02	1,009,417.51	23,731.00	1,033,148.51
Transfer of Funds to Charter School	253,460.00	-	253,460.00	-	-	-	253,460.00	-	253,460.00	170,530.00	-	170,530.00
TOTAL EXPENDITURES	16,380,052.15	25,414,619.19	41,794,671.34	603,453.00	0.00	603,453.00	16,983,505.15	25,414,619.19	42,398,124.34	18,548,017.25	23,578,347.53	42,126,364.78
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,037,319.85	(25,414,619.19)	(5,377,299.34)	(603,453.00)	(0.00)	(603,453.00)	19,433,866.85	(25,414,619.19)	(5,980,752.34)	23,459,927.82	(23,578,347.53)	(118,419.71)

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	ORIGINAL BUDGET			BUDGET TRANSFERS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Other Financing Sources (Uses):												
Operating Transfers Out:												
Contr. to Whole School Reform - General Fund	\$ (25,359,347.00)	\$ -	\$ (25,359,347.00)	\$ -	\$ -	\$ -	\$ (25,359,347.00)	\$ -	\$ (25,359,347.00)	\$ (23,666,238.87)	\$ -	\$ (23,666,238.87)
Local Contribution - Transfer to Special Revenue Fund	(99,920.00)	-	(99,920.00)	-	-	-	(99,920.00)	-	(99,920.00)	(99,920.00)	-	(99,920.00)
Operating Transfers In:												
Contr. to Whole School Reform - General Fund	-	25,359,347.00	25,359,347.00	-	-	-	-	25,359,347.00	25,359,347.00	-	23,666,238.87	23,666,238.87
Total Other Financing Sources (Uses):	(25,459,267.00)	25,359,347.00	(99,920.00)	-	-	-	(25,459,267.00)	25,359,347.00	(99,920.00)	(23,766,158.87)	23,666,238.87	(99,920.00)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(5,421,947.15)	(55,272.19)	(5,477,219.34)	(603,453.00)	(0.00)	(603,453.00)	(6,025,400.15)	(55,272.19)	(6,080,672.34)	(306,231.05)	87,891.34	(218,339.71)
Fund Balance, July 1	10,826,563.98	55,272.19	10,881,836.17	-	-	-	10,826,563.98	55,272.19	10,881,836.17	10,826,563.98	55,272.19	10,881,836.17
Fund Balance, June 30	\$ 5,404,616.83	\$ -	\$ 5,404,616.83	\$ (603,453.00)	\$ -	\$ (603,453.00)	\$ 4,801,163.83	\$ -	\$ 4,801,163.83	\$ 10,520,332.93	\$ 143,163.53	\$ 10,663,496.46

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
State Sources:					
Preschool Education	\$ 3,647,080.00	\$ -	\$ 3,647,080.00	\$ 3,647,080.00	\$ -
Other State Programs	411,864.00	73,191.92	485,055.92	344,848.31	140,207.61
Total - State Sources	4,058,944.00	73,191.92	4,132,135.92	3,991,928.31	140,207.61
Federal Sources:					
Title I	928,558.00	62,492.00	991,050.00	925,147.46	65,902.54
Title II-A	79,196.00	8,270.00	87,466.00	85,897.07	1,568.93
I.D.E.A., Part B, Basic	692,114.00	10,586.00	702,700.00	702,303.00	397.00
I.D.E.A., Part B, Preschool	24,154.00	-	24,154.00	24,154.00	-
Carl Perkins	13,489.00	-	13,489.00	13,489.00	-
Total - Federal Sources	1,737,511.00	81,348.00	1,818,859.00	1,750,990.53	67,868.47
Total Revenues	5,796,455.00	154,539.92	5,950,994.92	5,742,918.84	208,076.08
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,852,536.00	(137,507.85)	1,715,028.15	1,691,198.41	23,829.74
Other Salaries for Instruction	701,583.00	(105,616.52)	595,966.48	595,966.48	-
Purchased Professional and Technical Services	117,563.00	(21,304.80)	96,258.20	95,861.20	397.00
Purchased Professional - Educational Services	292,264.00	69,723.00	361,987.00	221,860.72	140,126.28
Other Purchased Services (400-500 series)	7,000.00	183,680.70	190,680.70	189,666.96	1,013.74
Tuition	591,287.00	24,199.00	615,486.00	615,486.00	-
Supplies and Materials	39,984.00	(12,441.19)	27,542.81	27,542.81	-
General Supplies	84,429.00	72,156.68	156,585.68	151,741.44	4,844.24
Textbooks	31,356.00	-	31,356.00	31,274.67	81.33
Other Objects	8,677.00	(3,327.26)	5,349.74	3,349.74	2,000.00
Total Instruction	3,726,679.00	69,561.76	3,796,240.76	3,623,948.43	172,292.33
Support Services:					
Salaries of Principals/Asst. Principals/Program Directors	116,993.00	(0.04)	116,992.96	115,930.46	1,062.50
Salaries of Other Professional Staff	231,826.00	(20,400.84)	211,425.16	211,425.16	-
Salaries of Secretarial and Clerical Assistants	127,580.00	714.78	128,294.78	128,294.78	-
Other Salaries	34,483.00	63,671.14	98,154.14	97,638.45	515.69
Sal. of Fam/Parent Liaison & Cmnty Prnt Involvement Specialists	75,618.00	1,250.88	76,868.88	76,868.88	-
Sal. of Facilitators, Math, Literacy, and Master Teacher	86,832.00	(2,292.00)	84,540.00	84,540.00	-
Personal Services - Employee Benefits	1,230,716.00	9,652.00	1,240,368.00	1,234,230.73	6,137.27
Purchased Professional and Technical Services	17,045.00	(7,176.07)	9,868.93	5,760.00	4,108.93
Purchased Professional - Educational Services	156,586.00	(747.00)	155,839.00	136,947.50	18,891.50
Other Purchased Professional Services - Educational Services	6,000.00	(2,350.00)	3,650.00	3,650.00	-
Other Purchased Services (400-500 series)	12,393.78	10,907.00	23,300.78	22,475.99	824.79
Contract Services-Transportation (Between Home & School)	-	35,836.20	35,836.20	35,836.20	-
Contract Services-Transportation (Other than Between Home & Sch)	5,000.00	(2,489.50)	2,510.50	2,510.50	-
Travel	559.00	2,034.92	2,593.92	126.42	2,467.50
Supplies and Material	40,657.22	(3,233.31)	37,423.91	37,245.30	178.61
Other Object	1,007.00	(400.00)	607.00	607.00	-
Total Support Services	2,143,296.00	84,978.16	2,228,274.16	2,194,087.37	34,186.79
Facilities Acquisition/Construction:					
Equipment	26,400.00	-	26,400.00	24,803.04	1,596.96
Total Facilities Acquisition and Construction Services	26,400.00	-	26,400.00	24,803.04	1,596.96
Total Expenditures	5,896,375.00	154,539.92	6,050,914.92	5,842,838.84	208,076.08
Other Financing Sources (Uses):					
Transfer from/(to) General Fund	99,920.00	-	99,920.00	99,920.00	-
Total Other Financing Sources (Uses)	99,920.00	-	99,920.00	99,920.00	-
Total Expenditures and Other Financing Sources (Uses)	5,796,455.00	154,539.92	5,950,994.92	5,742,918.84	208,076.08
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to RSI
 For the Fiscal Year Ended June 30, 2017

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 42,007,945.07	\$ 5,742,918.84
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year		-
Prior Year		-
The June 2016 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	2,945,170.00	339,728.00
The June 2017 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	<u>(3,047,738.00)</u>	<u>(258,689.00)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 41,905,377.07</u>	<u>\$ 5,823,957.84</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 42,126,364.78	\$ 5,842,838.84
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year		-
Prior Year		-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 42,126,364.78</u>	<u>\$ 5,842,838.84</u>

**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)
 Last Four Plan Years

	<u>Measurement Date Ending June 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.0722870694%	0.0713729557%	0.0702296372%	0.0659492329%
School District's Proportionate Share of the Net Pension Liability	\$ 21,409,357.00	\$ 16,021,798.00	\$ 13,148,909.00	\$ 12,604,209.00
School District's Covered Payroll (Plan Measurement Period)	\$ 5,397,328.00	\$ 5,318,072.00	\$ 5,220,844.00	\$ 5,161,397.33
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	396.67%	301.27%	251.85%	244.20%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Contributions
 Public Employees' Retirement System (PERS)
 Last Four Fiscal Years

	<u>Fiscal Year Ended June 30,</u>			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 619,771.00	\$ 642,118.00	\$ 613,616.00	\$ 578,963.00
Contributions in Relation to the Contractually Required Contribution	<u>(619,771.00)</u>	<u>(642,118.00)</u>	<u>(613,616.00)</u>	<u>(578,963.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll (Fiscal Year)	\$ 4,406,424.00	\$ 4,698,436.00	\$ 4,841,340.00	\$ 4,741,447.00
Contributions as a Percentage of School District's Covered Payroll	14.07%	13.67%	12.67%	12.21%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

GLOUCESTER CITY SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund (TPAF)
 Last Four Plan Years

	Measurement Date Ending June 30,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>132,497,622.00</u>	<u>108,518,103.00</u>	<u>92,760,888.00</u>	<u>84,256,216.00</u>
	<u>\$ 132,497,622.00</u>	<u>\$ 108,518,103.00</u>	<u>\$ 92,760,888.00</u>	<u>\$ 84,256,216.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 19,973,832.00	\$ 19,884,088.00	\$ 20,024,320.00	\$ 19,899,379.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	663.36%	545.75%	463.24%	423.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	22.33%	28.71%	33.64%	33.76%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.
 However, until a full 10-year trend is compiled, this presentation will only include information
 for those years for which information is available.

GLOUCESTER CITY SCHOOL DISTRICT
Required Supplementary Information
Schedule of the School District's Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

GLOUCESTER CITY SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2017

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 3.22% and the long-term expected rate of return changed to 7.65%. Further, the demographic assumptions were revised to reflect those recommended on the basis of the July 1, 2012 - June 30, 2015 experience study. For 2015, the discount rate changed to 4.13%. For 2014, the discount rate was at 4.68%.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at \$118,500 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the the discount rate was 5.39%.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES

GLOUCESTER CITY SCHOOL DISTRICT

General Fund

Combining Balance Sheet

June 30, 2017

	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Assets:			
Cash and Cash Equivalents	\$ 7,977,067.80	\$ -	\$ 7,977,067.80
Interfund Receivable	14,000.00		14,000.00
Internal Balances	(861,947.83)	861,947.83	-
Intergovernmental Accounts Receivable:			
State	3,612,792.76		3,612,792.76
Other	38,119.47		38,119.47
Total Assets	\$ 10,780,032.20	\$ 861,947.83	\$ 11,641,980.03
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	\$ 259,699.27	\$ 718,784.30	\$ 978,483.57
Total Liabilities	259,699.27	718,784.30	978,483.57
Fund Balances:			
Restricted:			
Capital Reserve	2,238,716.00		2,238,716.00
Maintenance Reserve	3,289,149.00		3,289,149.00
Tuition Reserve	180,000.00		180,000.00
Emergency Reserve	400,000.00		400,000.00
Assigned:			
Designated for Subsequent Year's Expenditures	2,512,655.00		2,512,655.00
Other Purposes	641,457.96	143,163.53	784,621.49
Unassigned	1,258,354.97		1,258,354.97
Total Fund Balances	10,520,332.93	143,163.53	10,663,496.46
Total Liabilities and Fund Balances	\$ 10,780,032.20	\$ 861,947.83	\$ 11,641,980.03

GLOUCESTER CITY SCHOOL DISTRICT
 Blended Resource Fund
 Combined Schedule of Expenditures Allocated by Resource Type - Actual
 For the Fiscal Year Ended June 30, 2017

District-wide

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>% of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to SBB	\$ 25,359,347.00		\$ 23,523,075.34	\$ 1,836,271.66
General Fund Reserve for Encumbrances at June 30, 2016	<u>55,272.19</u>		<u>55,272.19</u>	<u>-</u>
Combined General Fund Contribution & State Resources	<u>25,414,619.19</u>	<u>100.00%</u>	<u>23,578,347.53</u>	<u>1,836,271.66</u>
Totals	<u>\$ 25,414,619.19</u>	<u>100.00%</u>	<u>\$ 23,578,347.53</u>	<u>\$ 1,836,271.66</u>

GLOUCESTER CITY SCHOOL DISTRICT
 Blended Resource Fund
 Schedule of Expenditures Allocated by Resource Type - Actual
 For the Fiscal Year Ended June 30, 2017

School: Junior/Senior High School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>% of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to SBB	\$ 10,278,806.00		\$ 9,289,492.68	\$ 989,313.32
General Fund Reserve for Encumbrances at June 30, 2016	<u>12,687.13</u>		<u>12,687.13</u>	<u>-</u>
Combined General Fund Contribution & State Resources	<u>10,291,493.13</u>	<u>100.00%</u>	<u>9,302,179.81</u>	<u>989,313.32</u>
Totals	<u>\$ 10,291,493.13</u>	<u>100.00%</u>	<u>\$ 9,302,179.81</u>	<u>\$ 989,313.32</u>

GLOUCESTER CITY SCHOOL DISTRICT
 Blended Resource Fund
 Schedule of Expenditures Allocated by Resource Type - Actual
 For the Fiscal Year Ended June 30, 2017

School: Mary Ethel Costello

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>% of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to SBB	\$ 7,126,811.00		\$ 6,837,897.48	\$ 288,913.52
General Fund Reserve for Encumbrances at June 30, 2016	<u>18,896.51</u>		<u>18,896.51</u>	<u>-</u>
Combined General Fund Contribution & State Resources	<u>7,145,707.51</u>	<u>100.00%</u>	<u>6,856,793.99</u>	<u>288,913.52</u>
Totals	<u><u>\$ 7,145,707.51</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 6,856,793.99</u></u>	<u><u>\$ 288,913.52</u></u>

GLOUCESTER CITY SCHOOL DISTRICT
 Blended Resource Fund
 Schedule of Expenditures Allocated by Resource Type - Actual
 For the Fiscal Year Ended June 30, 2017

School: Cold Springs School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>% of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to SBB	\$ 7,953,730.00		\$ 7,395,685.18	\$ 558,044.82
General Fund Reserve for Encumbrances at June 30, 2016	<u>23,688.55</u>		<u>23,688.55</u>	<u>-</u>
Combined General Fund Contribution & State Resources	<u>7,977,418.55</u>	<u>100.00%</u>	<u>7,419,373.73</u>	<u>558,044.82</u>
Totals	<u>\$ 7,977,418.55</u>	<u>100.00%</u>	<u>\$ 7,419,373.73</u>	<u>\$ 558,044.82</u>

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Combined Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>District-wide</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of Teachers	\$ 477,204.00	\$ (27,000.00)	\$ 450,204.00	\$ 445,798.33	\$ 4,405.67
Grades 1-5 - Salaries of Teachers	3,760,084.00	(203,070.00)	3,557,014.00	3,464,923.94	92,090.06
Grades 6-8 - Salaries of Teachers	1,903,017.00	233,770.00	2,136,787.00	2,119,800.99	16,986.01
Grades 9-12 - Salaries of Teachers	2,714,753.00	(293,000.00)	2,421,753.00	2,222,765.58	198,987.42
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	225,577.05	(6,000.00)	219,577.05	194,351.27	25,225.78
Purchased Professional - Educational Services	390,655.00	312,449.01	703,104.01	689,030.67	14,073.34
Other Purchased Services (400-500 series)	160,811.18	(72,001.19)	88,809.99	68,994.58	19,815.41
General Supplies	251,350.31	117,172.47	368,522.78	337,946.49	30,576.29
Textbooks	95,000.00	(144.93)	94,855.07	93,744.64	1,110.43
Other Objects	22,845.00	957.99	23,802.99	18,555.41	5,247.58
TOTAL REGULAR PROGRAMS - INSTRUCTION	10,001,296.54	63,133.35	10,064,429.89	9,655,911.90	408,517.99
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	346,526.00	141,900.00	488,426.00	480,428.85	7,997.15
Other Salaries for Instruction	262,619.12	71,200.00	333,819.12	330,041.74	3,777.38
General Supplies	2,124.74	-	2,124.74	1,989.48	135.26
Other Objects	400.00	(400.00)	-	-	-
Total Learning and/or Language Disabilities	611,669.86	212,700.00	824,369.86	812,460.07	11,909.79
Behavioral Disabilities:					
Salaries of Teachers	194,113.00	1,800.00	195,913.00	194,820.23	1,092.77
Other Salaries for Instruction	172,706.00	(44,800.00)	127,906.00	126,304.50	1,601.50
General Supplies	2,289.10	(144.70)	2,144.40	1,817.31	327.09
Other Objects	200.00	(200.00)	-	-	-
Total Behavioral Disabilities	369,308.10	(43,344.70)	325,963.40	322,942.04	3,021.36

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Combined Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>District-wide</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Multiple Disabilities:					
Salaries of Teachers	\$ 256,624.00	\$ 72,000.00	\$ 328,624.00	\$ 325,024.48	\$ 3,599.52
Other Salaries for Instruction	143,345.00	86,000.00	229,345.00	219,941.54	9,403.46
General Supplies	3,200.00	(2,067.50)	1,132.50	1,010.59	121.91
Textbooks	-	212.20	212.20	212.20	-
Other Objects	200.00	(200.00)	-	-	-
Total Multiple Disabilities	<u>403,369.00</u>	<u>155,944.70</u>	<u>559,313.70</u>	<u>546,188.81</u>	<u>13,124.89</u>
Resource Room/Resource Center:					
Salaries of Teachers	1,821,660.00	(126,100.00)	1,695,560.00	1,688,602.05	6,957.95
Other Salaries for Instruction	318,079.00	(46,400.00)	271,679.00	258,045.65	13,633.35
Other Purchased Services	2,500.00	(2,500.00)	-	-	-
General Supplies	1,880.00	(500.00)	1,380.00	995.64	384.36
Total Resource Room/Resource Center	<u>2,144,119.00</u>	<u>(175,500.00)</u>	<u>1,968,619.00</u>	<u>1,947,643.34</u>	<u>20,975.66</u>
Autism:					
Salaries of Teachers	190,287.00	(2,000.00)	188,287.00	127,309.32	60,977.68
Other Salaries for Instruction	361,211.20	(64,900.00)	296,311.20	266,126.57	30,184.63
Other Purchased Services	-	600.00	600.00	600.00	-
General Supplies	2,000.00	(1,000.00)	1,000.00	882.47	117.53
Other Objects	400.00	(400.00)	-	-	-
Total Autism	<u>553,898.20</u>	<u>(67,700.00)</u>	<u>486,198.20</u>	<u>394,918.36</u>	<u>91,279.84</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	82,167.00	6,000.00	88,167.00	83,960.05	4,206.95
Other Salaries for Instruction	100,976.64	(45,700.00)	55,276.64	36,814.84	18,461.80
General Supplies	1,000.00	(600.00)	400.00	400.00	-
Total Preschool Disabilities - Full-Time:	<u>184,143.64</u>	<u>(40,300.00)</u>	<u>143,843.64</u>	<u>121,174.89</u>	<u>22,668.75</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>4,266,507.80</u>	<u>41,800.00</u>	<u>4,308,307.80</u>	<u>4,145,327.51</u>	<u>162,980.29</u>
Bilingual Education - Instruction					
Salaries of Teachers	125,127.00	11,000.00	136,127.00	134,182.00	1,945.00
Purchased Professional - Educational Services	1,400.00	(352.00)	1,048.00	1,043.77	4.23
General Supplies	1,800.00	(800.00)	1,000.00	272.51	727.49
Total Bilingual Education - Instruction	<u>128,327.00</u>	<u>9,848.00</u>	<u>138,175.00</u>	<u>135,498.28</u>	<u>2,676.72</u>

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Combined Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>District-wide</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	\$ 86,387.00	\$ 1,300.00	\$ 87,687.00	\$ 71,473.88	\$ 16,213.12
Other Purchased Services (400-500 series)	5,500.00	(248.27)	5,251.73	4,869.54	382.19
Supplies and Materials	15,800.00	(2,812.73)	12,987.27	10,838.50	2,148.77
Other Objects	12,900.00	400.00	13,300.00	12,620.87	679.13
	<u>120,587.00</u>	<u>(1,361.00)</u>	<u>119,226.00</u>	<u>99,802.79</u>	<u>19,423.21</u>
Total School-Spon. Cocurricular Actvts. - Inst.					
School-Spon. Cocurricular Athletics - Inst.					
Salaries	329,288.00	(3,498.00)	325,790.00	320,218.00	5,572.00
Purchased Services (300-500 series)	64,000.00	(2,102.00)	61,898.00	55,092.02	6,805.98
Supplies and Materials	100,515.00	1,500.00	102,015.00	93,709.93	8,305.07
Other Objects	22,000.00	1,100.00	23,100.00	20,384.50	2,715.50
	<u>515,803.00</u>	<u>(3,000.00)</u>	<u>512,803.00</u>	<u>489,404.45</u>	<u>23,398.55</u>
Total School-Spon. Cocurricular Athletics - Inst.					
Total Instruction	<u>15,032,521.34</u>	<u>110,420.35</u>	<u>15,142,941.69</u>	<u>14,525,944.93</u>	<u>616,996.76</u>
Undistributed Expend. - Attend. & Social Work					
Salaries of Drop-Out Prevention Officer/Coordinator	62,095.00	(2,500.00)	59,595.00	59,438.88	156.12
Purchased Professional and Technical Services	66,000.00	(700.00)	65,300.00	65,300.00	-
Purchased Services (300-500 series)	1,000.00	(1,000.00)	-	-	-
Supplies and Materials	475.00	(275.00)	200.00	-	200.00
Other Objects	275.00	(275.00)	-	-	-
	<u>129,845.00</u>	<u>(4,750.00)</u>	<u>125,095.00</u>	<u>124,738.88</u>	<u>356.12</u>
Total Undistributed Expend. - Attend. & Social Work					
Undistributed Expenditures - Health Services					
Salaries	234,393.00	84,100.00	318,493.00	310,722.84	7,770.16
Other Purchased Services (400-500 series)	500.00	469.25	969.25	960.93	8.32
Supplies and Materials	9,150.00	22.00	9,172.00	8,145.78	1,026.22
Other Objects	1,100.00	(491.25)	608.75	273.50	335.25
	<u>245,143.00</u>	<u>84,100.00</u>	<u>329,243.00</u>	<u>320,103.05</u>	<u>9,139.95</u>
Total Undistributed Expenditures - Health Services					

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Combined Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>District-wide</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
Undist. Expend. - Other Supp. Serv. Students-Reg.					
Salaries of Other Professional Staff	\$ 526,107.00	\$ (14,400.00)	\$ 511,707.00	\$ 488,527.02	\$ 23,179.98
Salaries of Secretarial and Clerical Assistants	37,802.00	400.00	38,202.00	38,021.88	180.12
Purchased Professional Education Services	2,700.00	-	2,700.00	2,455.00	245.00
Other Purchased Services (400-500 series)	1,400.00	4,028.50	5,428.50	5,417.80	10.70
Supplies and Materials	18,945.00	3,341.50	22,286.50	17,709.47	4,577.03
Other Objects	1,379.00	-	1,379.00	1,101.25	277.75
Total Undist. Expend. - Other Supp. Serv. Students-Reg.	<u>588,333.00</u>	<u>(6,630.00)</u>	<u>581,703.00</u>	<u>553,232.42</u>	<u>28,470.58</u>
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	20,540.00	(13,000.00)	7,540.00	7,454.50	85.50
Other Salaries	317,407.88	(271,298.00)	46,109.88	26,628.51	19,481.37
Salaries of Facilitators, Math and Literacy Coaches	398,686.00	207,298.00	605,984.00	564,156.37	41,827.63
Supplies and Materials	2,000.00	(1,265.35)	734.65	534.65	200.00
Total Undist. Expend. - Improvement of Inst. Serv.	<u>738,633.88</u>	<u>(78,265.35)</u>	<u>660,368.53</u>	<u>598,774.03</u>	<u>61,594.50</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	172,369.00	(23,000.00)	149,369.00	148,257.01	1,111.99
Salaries of Technology Coordinators	169,041.00	(2,100.00)	166,941.00	150,258.75	16,682.25
Purchased Professional and Technical Services	132,850.00	(3,660.00)	129,190.00	124,624.02	4,565.98
Other Purchased Services (400-500 series)	5,800.00	3,460.00	9,260.00	9,223.56	36.44
Supplies and Materials	34,300.00	(1,174.00)	33,126.00	26,301.10	6,824.90
Other Objects	200.00	-	200.00	-	200.00
Total Undist. Expend. - Edu. Media Serv./Sch. Library	<u>514,560.00</u>	<u>(26,474.00)</u>	<u>488,086.00</u>	<u>458,664.44</u>	<u>29,421.56</u>

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Combined Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>District-wide</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	\$ 10,000.00	\$ (6,415.00)	\$ 3,585.00	\$ 2,984.98	\$ 600.02
Other Purchased Services (400-500 series)	1,000.00	(690.00)	310.00	310.00	-
Total Undist. Expend. - Instructional Staff Training Serv.	<u>11,000.00</u>	<u>(7,105.00)</u>	<u>3,895.00</u>	<u>3,294.98</u>	<u>600.02</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	873,349.00	(17,000.00)	856,349.00	853,333.50	3,015.50
Salaries of Secretarial and Clerical Assistants	462,205.00	5,000.00	467,205.00	463,142.18	4,062.82
Other Purchased Services (400-500 series)	41,700.00	(7,148.42)	34,551.58	27,156.82	7,394.76
Supplies and Materials	43,450.00	(11,482.89)	31,967.11	25,408.44	6,558.67
Other Objects	17,650.00	12,487.31	30,137.31	29,749.01	388.30
Total Undist. Expend. - Support Serv. - School Admin.	<u>1,438,354.00</u>	<u>(18,144.00)</u>	<u>1,420,210.00</u>	<u>1,398,789.95</u>	<u>21,420.05</u>
Undist. Expend. - Security					
Salaries	102,493.97	1,500.00	103,993.97	93,237.35	10,756.62
General Supplies	5,000.00	(1,766.00)	3,234.00	2,186.70	1,047.30
Total Undist. Expend. - Security	<u>107,493.97</u>	<u>(266.00)</u>	<u>107,227.97</u>	<u>95,424.05</u>	<u>11,803.92</u>
Undist. Expend. - Student Transportation Serv.					
Contr Serv (Oth. Than Bet Home & Sch) - Vendors	101,735.00	(41,335.00)	60,400.00	44,942.00	15,458.00
Total Undist. Expend. - Student Transportation Serv.	<u>101,735.00</u>	<u>(41,335.00)</u>	<u>60,400.00</u>	<u>44,942.00</u>	<u>15,458.00</u>

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Combined Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>District-wide</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
UNALLOCATED BENEFITS					
Health Benefits	\$ 6,500,000.00	\$ (69,878.00)	\$ 6,430,122.00	\$ 5,430,707.80	\$ 999,414.20
TOTAL UNALLOCATED BENEFITS	6,500,000.00	(69,878.00)	6,430,122.00	5,430,707.80	999,414.20
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	6,500,000.00	(69,878.00)	6,430,122.00	5,430,707.80	999,414.20
TOTAL UNDISTRIBUTED EXPENDITURES	10,375,097.85	(168,747.35)	10,206,350.50	9,028,671.60	1,177,678.90
TOTAL SCHOOL BASED BUDGET CURRENT EXPENSE	25,407,619.19	(58,327.00)	25,349,292.19	23,554,616.53	1,794,675.66
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades 1-5	-	53,271.00	53,271.00	11,675.00	41,596.00
Grades 9-12	7,000.00	5,056.00	12,056.00	12,056.00	-
Total Equipment	7,000.00	58,327.00	65,327.00	23,731.00	41,596.00
TOTAL CAPITAL OUTLAY	7,000.00	58,327.00	65,327.00	23,731.00	41,596.00
TOTAL SCHOOL BASED EXPENDITURES	25,414,619.19	0.00	25,414,619.19	23,578,347.53	1,836,271.66
Other Financing Sources:					
Operating Transfers In:					
Contribution to Whole School Reform: General Fund	25,359,347.00	-	25,359,347.00	23,666,238.87	1,693,108.13
Total Other Financing Sources:	25,359,347.00	-	25,359,347.00	23,666,238.87	1,693,108.13
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(55,272.19)	(0.00)	(55,272.19)	87,891.34	143,163.53
Fund Balance, July 1	55,272.19	-	55,272.19	55,272.19	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 143,163.53	\$ 143,163.53

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Junior/Senior High School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of Teachers	\$ -	\$ -	-	\$ -	\$ -
Grades 1-5 - Salaries of Teachers	-	-	-	-	-
Grades 6-8 - Salaries of Teachers	-	-	-	-	-
Grades 9-12 - Salaries of Teachers	2,714,753.00	(293,000.00)	2,421,753.00	2,222,765.58	198,987.42
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional - Educational Services	155,000.00	(11,970.99)	143,029.01	142,373.61	655.40
Other Purchased Services (400-500 series)	14,875.77	33,800.31	48,676.08	38,689.88	9,986.20
General Supplies	103,600.00	133,866.47	237,466.47	229,916.13	7,550.34
Textbooks	61,000.00	(11,084.93)	49,915.07	48,806.72	1,108.35
Other Objects	5,500.00	(387.51)	5,112.49	3,983.81	1,128.68
TOTAL REGULAR PROGRAMS - INSTRUCTION	3,054,728.77	(148,776.65)	2,905,952.12	2,686,535.73	219,416.39
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	149,081.00	(53,600.00)	95,481.00	92,172.99	3,308.01
Other Salaries for Instruction	95,772.00	(27,400.00)	68,372.00	67,913.83	458.17
General Supplies	500.00	-	500.00	365.66	134.34
Other Objects	-	-	-	-	-
Total Learning and/or Language Disabilities	245,353.00	(81,000.00)	164,353.00	160,452.48	3,900.52
Behavioral Disabilities:					
Salaries of Teachers	125,369.00	(51,200.00)	74,169.00	73,942.45	226.55
Other Salaries for Instruction	109,782.00	(76,800.00)	32,982.00	32,227.35	754.65
General Supplies	1,500.00	(144.70)	1,355.30	1,028.29	327.01
Other Objects	-	-	-	-	-
Total Behavioral Disabilities	236,651.00	(128,144.70)	108,506.30	107,198.09	1,308.21

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Junior/Senior High School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
Multiple Disabilities:					
Salaries of Teachers	\$ 167,764.00	\$ 48,000.00	\$ 215,764.00	\$ 215,246.53	\$ 517.47
Other Salaries for Instruction	111,783.00	18,000.00	129,783.00	127,174.15	2,608.85
General Supplies	2,500.00	(2,067.50)	432.50	310.59	121.91
Textbooks	-	-	212.20	212.20	-
Other Objects	-	-	-	-	-
Total Multiple Disabilities	<u>282,047.00</u>	<u>63,932.50</u>	<u>346,191.70</u>	<u>342,943.47</u>	<u>3,248.23</u>
Resource Room/Resource Center:					
Salaries of Teachers	780,413.00	(202,000.00)	578,413.00	576,356.35	2,056.65
Other Salaries for Instruction	189,230.00	21,000.00	210,230.00	198,389.95	11,840.05
Other Purchased Services	2,000.00	(2,000.00)	-	-	-
General Supplies	1,380.00	(1,000.00)	380.00	345.67	34.33
Total Resource Room/Resource Center	<u>973,023.00</u>	<u>(184,000.00)</u>	<u>789,023.00</u>	<u>775,091.97</u>	<u>13,931.03</u>
Autism:					
Salaries of Teachers	59,611.00	(5,000.00)	54,611.00	-	54,611.00
Other Salaries for Instruction	62,152.00	(59,000.00)	3,152.00	-	3,152.00
Other Purchased Services	-	-	-	-	-
General Supplies	500.00	(400.00)	100.00	59.97	40.03
Other Objects	-	-	-	-	-
Total Autism	<u>122,263.00</u>	<u>(64,400.00)</u>	<u>57,863.00</u>	<u>59.97</u>	<u>57,803.03</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-
General Supplies	-	-	-	-	-
Total Preschool Disabilities - Full-Time:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>1,859,337.00</u>	<u>(393,612.20)</u>	<u>1,465,937.00</u>	<u>1,385,745.98</u>	<u>80,191.02</u>
Bilingual Education - Instruction					
Salaries of Teachers	70,491.00	11,000.00	81,491.00	80,236.00	1,255.00
Purchased Professional - Educational Services	-	-	-	-	-
General Supplies	775.00	(775.00)	-	-	-
Total Bilingual Education - Instruction	<u>71,266.00</u>	<u>10,225.00</u>	<u>81,491.00</u>	<u>80,236.00</u>	<u>1,255.00</u>

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Junior/Senior High School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	\$ 85,887.00	\$ -	\$ 85,887.00	\$ 70,253.13	\$ 15,633.87
Other Purchased Services (400-500 series)	5,500.00	(248.27)	5,251.73	4,869.54	382.19
Supplies and Materials	14,300.00	(1,312.73)	12,987.27	10,838.50	2,148.77
Other Objects	12,900.00	-	12,900.00	12,620.87	279.13
	<u>118,587.00</u>	<u>(1,561.00)</u>	<u>117,026.00</u>	<u>98,582.04</u>	<u>18,443.96</u>
Total School-Spon. Cocurricular Actvts. - Inst.					
School-Spon. Cocurricular Athletics - Inst.					
Salaries	317,624.00	2,002.00	319,626.00	318,653.00	973.00
Purchased Services (300-500 series)	64,000.00	(5,502.00)	58,498.00	52,308.02	6,189.98
Supplies and Materials	90,515.00	-	90,515.00	86,160.24	4,354.76
Other Objects	17,000.00	3,500.00	20,500.00	19,574.50	925.50
	<u>489,139.00</u>	<u>-</u>	<u>489,139.00</u>	<u>476,695.76</u>	<u>12,443.24</u>
Total School-Spon. Cocurricular Athletics - Inst.					
Total Instruction	<u>5,593,057.77</u>	<u>(533,724.85)</u>	<u>5,059,545.12</u>	<u>4,727,795.51</u>	<u>331,749.61</u>
Undistributed Expend. - Attend. & Social Work					
Salaries of Drop-Out Prevention Officer/Coordinator	62,095.00	(2,500.00)	59,595.00	59,438.88	156.12
Purchased Professional and Technical Services	66,000.00	(700.00)	65,300.00	65,300.00	-
Purchased Services (300-500 series)	1,000.00	(1,000.00)	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
	<u>129,095.00</u>	<u>(4,200.00)</u>	<u>124,895.00</u>	<u>124,738.88</u>	<u>156.12</u>
Total Undistributed Expend. - Attend. & Social Work					
Undistributed Expenditures - Health Services					
Salaries	91,561.00	41,000.00	132,561.00	125,851.47	6,709.53
Other Purchased Services (400-500 series)	100.00	46.25	146.25	146.25	-
Supplies and Materials	2,600.00	300.00	2,900.00	2,882.68	17.32
Other Objects	400.00	(346.25)	53.75	-	53.75
	<u>94,661.00</u>	<u>41,000.00</u>	<u>135,661.00</u>	<u>128,880.40</u>	<u>6,780.60</u>
Total Undistributed Expenditures - Health Services					

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Junior/Senior High School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
Undist. Expend. - Other Supp. Serv. Students-Reg.					
Salaries of Other Professional Staff	\$ 280,646.00	\$ (21,900.00)	\$ 258,746.00	\$ 236,944.15	\$ 21,801.85
Salaries of Secretarial and Clerical Assistants	37,802.00	400.00	38,202.00	38,021.88	180.12
Purchased Professional - Educational Services	2,700.00	-	2,700.00	2,455.00	245.00
Other Purchased Services (400-500 series)	1,400.00	4,028.50	5,428.50	5,417.80	10.70
Supplies and Materials	18,945.00	3,341.50	22,286.50	17,709.47	4,577.03
Other Objects	879.00	-	879.00	851.00	28.00
Total Undist. Expend. - Other Supp. Serv. Students-Reg.	342,372.00	(14,130.00)	328,242.00	301,399.30	26,842.70
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	17,540.00	(10,000.00)	7,540.00	7,454.50	85.50
Other Salaries	12,181.36	3,000.00	15,181.36	4,500.01	10,681.35
Salaries of Facilitators, Math and Literacy Coaches	303,169.00	27,000.00	330,169.00	314,384.61	15,784.39
Supplies and Materials	2,000.00	(1,265.35)	734.65	534.65	200.00
Total Undist. Expend. - Improvement of Inst. Serv.	334,890.36	18,734.65	353,625.01	326,873.77	26,751.24
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	86,833.00	(29,000.00)	57,833.00	57,161.00	672.00
Salaries of Technology Coordinators	101,489.00	-	101,489.00	84,902.85	16,586.15
Purchased Professional and Technical Services	45,800.00	(560.00)	45,240.00	43,052.72	2,187.28
Other Purchased Services (400-500 series)	3,400.00	860.00	4,260.00	4,223.56	36.44
Supplies and Materials	15,700.00	(674.00)	15,026.00	12,255.09	2,770.91
Other Objects	200.00	-	200.00	-	200.00
Total Undist. Expend. - Edu. Media Serv./Sch. Library	253,422.00	(29,374.00)	224,048.00	201,595.22	22,452.78

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Junior/Senior High School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	\$ 1,000.00	\$ 1,400.00	\$ 2,400.00	\$ 2,400.00	\$ -
Other Purchased Services (400-500 series)	1,000.00	(690.00)	310.00	310.00	-
Total Undist. Expend. - Instructional Staff Training Serv.	2,000.00	710.00	2,710.00	2,710.00	-
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	327,049.00	-	327,049.00	324,639.84	2,409.16
Salaries of Secretarial and Clerical Assistants	220,162.00	(25,000.00)	195,162.00	192,244.57	2,917.43
Other Purchased Services (400-500 series)	10,000.00	(1,494.42)	8,505.58	8,005.58	500.00
Supplies and Materials	20,000.00	(2,227.89)	17,772.11	13,912.25	3,859.86
Other Objects	14,000.00	2,417.31	16,417.31	16,154.01	263.30
Total Undist. Expend. - Support Serv. - School Admin.	591,211.00	(26,305.00)	564,906.00	554,956.25	9,949.75
Undist. Expend. - Security					
Salaries	32,984.00	-	32,984.00	25,345.38	7,638.62
General Supplies	2,000.00	(1,466.00)	534.00	284.00	250.00
Total Undist. Expend. - Security	34,984.00	(1,466.00)	33,518.00	25,629.38	7,888.62
Undist. Expend. - Student Transportation Serv.					
Contr Serv (Oth. Than Bet Home & Sch) - Vendors	83,800.00	(41,635.00)	42,165.00	34,837.30	7,327.70
Total Undist. Expend. - Student Transportation Serv.	83,800.00	(41,635.00)	42,165.00	34,837.30	7,327.70

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Junior/Senior High School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
UNALLOCATED BENEFITS					
Health Benefits	\$ 2,825,000.00	\$ 585,122.00	\$ 3,410,122.00	\$ 2,860,707.80	\$ 549,414.20
TOTAL UNALLOCATED BENEFITS	2,825,000.00	585,122.00	3,410,122.00	2,860,707.80	549,414.20
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	2,825,000.00	585,122.00	3,410,122.00	2,860,707.80	549,414.20
TOTAL UNDISTRIBUTED EXPENDITURES	4,691,435.36	528,456.65	5,219,892.01	4,562,328.30	657,563.71
TOTAL SCHOOL BASED BUDGET CURRENT EXPENSE	10,284,493.13	(5,056.00)	10,279,437.13	9,290,123.81	989,313.32
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades 1-5	-	-	-	-	-
Grades 9-12	7,000.00	5,056.00	12,056.00	12,056.00	-
Total Equipment	7,000.00	5,056.00	12,056.00	12,056.00	-
TOTAL CAPITAL OUTLAY	7,000.00	5,056.00	12,056.00	12,056.00	-
TOTAL SCHOOL BASED EXPENDITURES	10,291,493.13	-	10,291,493.13	9,302,179.81	989,313.32
Other Financing Sources:					
Operating Transfers In:					
Contribution to Whole School Reform: General Fund	10,278,806.00	-	10,278,806.00	9,332,471.97	946,334.03
Total Other Financing Sources:	10,278,806.00	-	10,278,806.00	9,332,471.97	946,334.03
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(12,687.13)	-	(12,687.13)	30,292.16	42,979.29
Fund Balance, July 1	12,687.13	-	12,687.13	12,687.13	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 42,979.29	\$ 42,979.29

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Mary Ethel Costello</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -
Grades 1-5 - Salaries of Teachers	1,439,365.00	(139,070.00)	1,300,295.00	1,282,074.26	18,220.74
Grades 6-8 - Salaries of Teachers	1,903,017.00	233,770.00	2,136,787.00	2,119,800.99	16,986.01
Grades 9-12 - Salaries of Teachers	-	-	-	-	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional - Educational Services	79,000.00	193,000.00	272,000.00	260,917.20	11,082.80
Other Purchased Services (400-500 series)	94,273.02	(75,990.00)	18,283.02	13,622.54	4,660.48
General Supplies	69,500.00	(11,990.00)	57,510.00	35,740.62	21,769.38
Textbooks	20,000.00	24,940.00	44,940.00	44,937.92	2.08
Other Objects	4,800.00	4,340.00	9,140.00	5,133.10	4,006.90
TOTAL REGULAR PROGRAMS - INSTRUCTION	3,609,955.02	229,000.00	3,838,955.02	3,762,226.63	76,728.39
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	84,704.00	175,000.00	259,704.00	258,561.45	1,142.55
Other Salaries for Instruction	63,181.00	59,400.00	122,581.00	121,763.94	817.06
General Supplies	624.74	-	624.74	624.42	0.32
Other Objects	400.00	(400.00)	-	-	-
Total Learning and/or Language Disabilities	148,909.74	234,000.00	382,909.74	380,949.81	1,959.93
Behavioral Disabilities:					
Salaries of Teachers	68,744.00	53,000.00	121,744.00	120,877.78	866.22
Other Salaries for Instruction	62,924.00	32,000.00	94,924.00	94,077.15	846.85
General Supplies	789.10	-	789.10	789.02	0.08
Other Objects	200.00	(200.00)	-	-	-
Total Behavioral Disabilities	132,657.10	84,800.00	217,457.10	215,743.95	1,713.15

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Mary Ethel Costello</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
Multiple Disabilities:					
Salaries of Teachers	\$ 88,860.00	\$ 24,000.00	\$ 112,860.00	\$ 109,777.95	\$ 3,082.05
Other Salaries for Instruction	31,562.00	68,000.00	99,562.00	92,767.39	6,794.61
General Supplies	700.00	-	700.00	700.00	-
Textbooks	-	-	-	-	-
Other Objects	200.00	(200.00)	-	-	-
Total Multiple Disabilities	<u>121,322.00</u>	<u>91,800.00</u>	<u>213,122.00</u>	<u>203,245.34</u>	<u>9,876.66</u>
Resource Room/Resource Center:					
Salaries of Teachers	576,947.00	44,900.00	621,847.00	619,558.35	2,288.65
Other Salaries for Instruction	64,925.00	(38,400.00)	26,525.00	26,449.90	75.10
Other Purchased Services	500.00	(500.00)	-	-	-
General Supplies	-	500.00	500.00	149.97	350.03
Total Resource Room/Resource Center	<u>642,372.00</u>	<u>6,500.00</u>	<u>648,872.00</u>	<u>646,158.22</u>	<u>2,713.78</u>
Autism:					
Salaries of Teachers	57,474.00	-	57,474.00	57,252.14	221.86
Other Salaries for Instruction	161,638.00	19,100.00	180,738.00	171,070.30	9,667.70
Other Purchased Services	-	600.00	600.00	600.00	-
General Supplies	500.00	-	500.00	467.23	32.77
Other Objects	400.00	(400.00)	-	-	-
Total Autism	<u>220,012.00</u>	<u>19,300.00</u>	<u>239,312.00</u>	<u>229,389.67</u>	<u>9,922.33</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-
General Supplies	-	-	-	-	-
Total Preschool Disabilities - Full-Time:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>1,265,272.84</u>	<u>436,400.00</u>	<u>1,701,672.84</u>	<u>1,675,486.99</u>	<u>26,185.85</u>
Bilingual Education - Instruction					
Salaries of Teachers	27,318.00	-	27,318.00	26,973.07	344.93
Purchased Professional - Educational Services	-	-	-	-	-
General Supplies	375.00	-	375.00	-	375.00
Total Bilingual Education - Instruction	<u>27,693.00</u>	<u>-</u>	<u>27,693.00</u>	<u>26,973.07</u>	<u>719.93</u>

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Mary Ethel Costello</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	\$ 500.00	\$ 1,300.00	\$ 1,800.00	\$ 1,220.75	\$ 579.25
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	1,500.00	(1,500.00)	-	-	-
Other Objects	-	400.00	400.00	-	400.00
	<u>2,000.00</u>	<u>200.00</u>	<u>2,200.00</u>	<u>1,220.75</u>	<u>979.25</u>
Total School-Spon. Cocurricular Actvts. - Inst.					
School-Spon. Cocurricular Athletics - Inst.					
Salaries	11,664.00	(5,500.00)	6,164.00	1,565.00	4,599.00
Purchased Services (300-500 series)	-	3,400.00	3,400.00	2,784.00	616.00
Supplies and Materials	10,000.00	1,500.00	11,500.00	7,549.69	3,950.31
Other Objects	5,000.00	(2,400.00)	2,600.00	810.00	1,790.00
	<u>26,664.00</u>	<u>(3,000.00)</u>	<u>23,664.00</u>	<u>12,708.69</u>	<u>10,955.31</u>
Total School-Spon. Cocurricular Athletics - Inst.					
Total Instruction	<u>4,931,584.86</u>	<u>662,600.00</u>	<u>5,594,184.86</u>	<u>5,478,616.13</u>	<u>115,568.73</u>
Undistributed Expend. - Attend. & Social Work					
Salaries of Drop-Out Prevention Officer/Coordinator	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Purchased Services (300-500 series)	-	-	-	-	-
Supplies and Materials	200.00	-	200.00	-	200.00
Other Objects	-	-	-	-	-
	<u>200.00</u>	<u>-</u>	<u>200.00</u>	<u>-</u>	<u>200.00</u>
Total Undistributed Expend. - Attend. & Social Work					
Undistributed Expenditures - Health Services					
Salaries	64,307.00	43,000.00	107,307.00	106,345.53	961.47
Other Purchased Services (400-500 series)	300.00	423.00	723.00	721.68	1.32
Supplies and Materials	2,800.00	(278.00)	2,522.00	1,631.70	890.30
Other Objects	300.00	(145.00)	155.00	125.00	30.00
	<u>67,707.00</u>	<u>43,000.00</u>	<u>110,707.00</u>	<u>108,823.91</u>	<u>1,883.09</u>
Total Undistributed Expenditures - Health Services					

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Mary Ethel Costello</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
Undist. Expend. - Other Supp. Serv. Students-Reg.					
Salaries of Other Professional Staff	\$ 144,705.00	\$ 7,500.00	\$ 152,205.00	\$ 150,827.03	\$ 1,377.97
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	500.00	-	500.00	250.25	249.75
Total Undist. Expend. - Other Supp. Serv. Students-Reg.	145,205.00	7,500.00	152,705.00	151,077.28	1,627.72
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	-	-	-	-	-
Other Salaries	17,909.65	2,000.00	19,909.65	16,466.03	3,443.62
Salaries of Facilitators, Math and Literacy Coaches	95,517.00	(48,000.00)	47,517.00	46,856.34	660.66
Supplies and Materials	-	-	-	-	-
Total Undist. Expend. - Improvement of Inst. Serv.	113,426.65	(46,000.00)	67,426.65	63,322.37	4,104.28
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	9,003.00	-	9,003.00	8,764.01	238.99
Salaries of Technology Coordinators	-	-	-	-	-
Purchased Professional and Technical Services	44,550.00	(1,800.00)	42,750.00	40,440.72	2,309.28
Other Purchased Services (400-500 series)	1,200.00	1,300.00	2,500.00	2,500.00	-
Supplies and Materials	10,000.00	(500.00)	9,500.00	6,639.78	2,860.22
Other Objects	-	-	-	-	-
Total Undist. Expend. - Edu. Media Serv./Sch. Library	64,753.00	(1,000.00)	63,753.00	58,344.51	5,408.49

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Mary Ethel Costello</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	\$ 4,000.00	\$ (3,000.00)	\$ 1,000.00	\$ 399.98	\$ 600.02
Other Purchased Services (400-500 series)	-	-	-	-	-
	<u>4,000.00</u>	<u>(3,000.00)</u>	<u>1,000.00</u>	<u>399.98</u>	<u>600.02</u>
Total Undist. Expend. - Instructional Staff Training Serv.					
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	311,053.00	(17,000.00)	294,053.00	293,449.98	603.02
Salaries of Secretarial and Clerical Assistants	114,594.00	29,000.00	143,594.00	142,706.80	887.20
Other Purchased Services (400-500 series)	12,000.00	(315.00)	11,685.00	10,545.98	1,139.02
Supplies and Materials	10,000.00	(2,385.00)	7,615.00	4,937.93	2,677.07
Other Objects	1,400.00	2,700.00	4,100.00	4,100.00	-
	<u>449,047.00</u>	<u>12,000.00</u>	<u>461,047.00</u>	<u>455,740.69</u>	<u>5,306.31</u>
Total Undist. Expend. - Support Serv. - School Admin.					
Undist. Expend. - Security					
Salaries	32,984.00	500.00	33,484.00	33,175.00	309.00
General Supplies	1,000.00	-	1,000.00	452.05	547.95
	<u>33,984.00</u>	<u>500.00</u>	<u>34,484.00</u>	<u>33,627.05</u>	<u>856.95</u>
Total Undist. Expend. - Security					
Undist. Expend. - Student Transportation Serv.					
Contr Serv (Oth. Than Bet Home & Sch) - Vendors	10,200.00	-	10,200.00	6,842.07	3,357.93
	<u>10,200.00</u>	<u>-</u>	<u>10,200.00</u>	<u>6,842.07</u>	<u>3,357.93</u>
Total Undist. Expend. - Student Transportation Serv.					

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Mary Ethel Costello</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
UNALLOCATED BENEFITS					
Health Benefits	\$ 1,325,000.00	\$ (675,000.00)	\$ 650,000.00	\$ 500,000.00	\$ 150,000.00
TOTAL UNALLOCATED BENEFITS	1,325,000.00	(675,000.00)	650,000.00	500,000.00	150,000.00
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	1,325,000.00	(675,000.00)	650,000.00	500,000.00	150,000.00
TOTAL UNDISTRIBUTED EXPENDITURES	2,213,522.65	(662,000.00)	1,551,522.65	1,378,177.86	173,344.79
TOTAL SCHOOL BASED BUDGET CURRENT EXPENSE	7,145,107.51	600.00	7,145,707.51	6,856,793.99	288,913.52
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades 1-5	-	-	-	-	-
Grades 9-12	-	-	-	-	-
Total Equipment	-	-	-	-	-
TOTAL CAPITAL OUTLAY	-	-	-	-	-
TOTAL SCHOOL BASED EXPENDITURES	7,145,107.51	600.00	7,145,707.51	6,856,793.99	288,913.52
Other Financing Sources:					
Operating Transfers In:					
Contribution to Whole School Reform: General Fund	7,126,211.00	600.00	7,126,811.00	6,851,734.58	275,076.42
Total Other Financing Sources:	7,126,211.00	600.00	7,126,811.00	6,851,734.58	275,076.42
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(18,896.51)	-	(18,896.51)	(5,059.41)	13,837.10
Fund Balance, July 1	18,896.51	-	18,896.51	18,896.51	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 13,837.10	\$ 13,837.10

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

School: Cold Springs School

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of Teachers	\$ 477,204.00	\$ (27,000.00)	\$ 450,204.00	\$ 445,798.33	\$ 4,405.67
Grades 1-5 - Salaries of Teachers	2,320,719.00	(64,000.00)	2,256,719.00	2,182,849.68	73,869.32
Grades 6-8 - Salaries of Teachers	-	-	-	-	-
Grades 9-12 - Salaries of Teachers	-	-	-	-	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	225,577.05	(6,000.00)	219,577.05	194,351.27	25,225.78
Purchased Professional - Educational Services	156,655.00	131,420.00	288,075.00	285,739.86	2,335.14
Other Purchased Services (400-500 series)	51,662.39	(29,811.50)	21,850.89	16,682.16	5,168.73
General Supplies	78,250.31	(4,704.00)	73,546.31	72,289.74	1,256.57
Textbooks	14,000.00	(14,000.00)	-	-	-
Other Objects	12,545.00	(2,994.50)	9,550.50	9,438.50	112.00
TOTAL REGULAR PROGRAMS - INSTRUCTION	3,336,612.75	(17,090.00)	3,319,522.75	3,207,149.54	112,373.21
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	112,741.00	20,500.00	133,241.00	129,694.41	3,546.59
Other Salaries for Instruction	103,666.12	39,200.00	142,866.12	140,363.97	2,502.15
General Supplies	1,000.00	-	1,000.00	999.40	0.60
Other Objects	-	-	-	-	-
Total Learning and/or Language Disabilities	217,407.12	59,700.00	277,107.12	271,057.78	6,049.34
Behavioral Disabilities:					
Salaries of Teachers	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-
General Supplies	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Behavioral Disabilities	-	-	-	-	-

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Cold Springs School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
Multiple Disabilities:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	-
General Supplies	-	-	-	-	-
Textbooks	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Multiple Disabilities	-	-	-	-	-
Resource Room/Resource Center:					
Salaries of Teachers	464,300.00	31,000.00	495,300.00	492,687.35	2,612.65
Other Salaries for Instruction	63,924.00	(29,000.00)	34,924.00	33,205.80	1,718.20
Other Purchased Services	-	-	-	-	-
General Supplies	500.00	-	500.00	500.00	-
Total Resource Room/Resource Center	528,724.00	2,000.00	530,724.00	526,393.15	4,330.85
Autism:					
Salaries of Teachers	73,202.00	3,000.00	76,202.00	70,057.18	6,144.82
Other Salaries for Instruction	137,421.20	(25,000.00)	112,421.20	95,056.27	17,364.93
Other Purchased Services	-	-	-	-	-
General Supplies	1,000.00	(600.00)	400.00	355.27	44.73
Other Objects	-	-	-	-	-
Total Autism	211,623.20	(22,600.00)	189,023.20	165,468.72	23,554.48
Preschool Disabilities - Full-Time:					
Salaries of Teachers	82,167.00	6,000.00	88,167.00	83,960.05	4,206.95
Other Salaries for Instruction	100,976.64	(45,700.00)	55,276.64	36,814.84	18,461.80
General Supplies	1,000.00	(600.00)	400.00	400.00	-
Total Preschool Disabilities - Full-Time:	184,143.64	(40,300.00)	143,843.64	121,174.89	22,668.75
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,141,897.96	(1,200.00)	1,140,697.96	1,084,094.54	56,603.42
Bilingual Education - Instruction					
Salaries of Teachers	27,318.00	-	27,318.00	26,972.93	345.07
Purchased Professional - Educational Services	1,400.00	(352.00)	1,048.00	1,043.77	4.23
General Supplies	650.00	(25.00)	625.00	272.51	352.49
Total Bilingual Education - Instruction	29,368.00	(377.00)	28,991.00	28,289.21	701.79

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Cold Springs School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
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Total School-Spon. Cocurricular Actvts. - Inst.	-	-	-	-	-
School-Spon. Cocurricular Athletics - Inst.					
Salaries	-	-	-	-	-
Purchased Services (300-500 series)	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
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Total School-Spon. Cocurricular Athletics - Inst.	-	-	-	-	-
Total Instruction	<u>4,507,878.71</u>	<u>(18,667.00)</u>	<u>4,489,211.71</u>	<u>4,319,533.29</u>	<u>169,678.42</u>
Undistributed Expend. - Attend. & Social Work					
Salaries of Drop-Out Prevention Officer/Coordinator	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Purchased Services (300-500 series)	-	-	-	-	-
Supplies and Materials	275.00	(275.00)	-	-	-
Other Objects	275.00	(275.00)	-	-	-
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Total Undistributed Expend. - Attend. & Social Work	550.00	(550.00)	-	-	-
Undistributed Expenditures - Health Services					
Salaries	78,525.00	100.00	78,625.00	78,525.84	99.16
Other Purchased Services (400-500 series)	100.00	-	100.00	93.00	7.00
Supplies and Materials	3,750.00	-	3,750.00	3,631.40	118.60
Other Objects	400.00	-	400.00	148.50	251.50
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Undistributed Expenditures - Health Services	<u>82,775.00</u>	<u>100.00</u>	<u>82,875.00</u>	<u>82,398.74</u>	<u>476.26</u>

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Cold Springs School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
Undist. Expend. - Other Supp. Serv. Students-Reg.					
Salaries of Other Professional Staff	\$ 100,756.00	\$ -	\$ 100,756.00	\$ 100,755.84	\$ 0.16
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Undist. Expend. - Other Supp. Serv. Students-Reg.	<u>100,756.00</u>	<u>-</u>	<u>100,756.00</u>	<u>100,755.84</u>	<u>0.16</u>
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	3,000.00	(3,000.00)	-	-	-
Other Salaries	287,316.87	(276,298.00)	11,018.87	5,662.47	5,356.40
Salaries of Facilitators, Math and Literacy Coaches	-	228,298.00	228,298.00	202,915.42	25,382.58
Supplies and Materials	-	-	-	-	-
Total Undist. Expend. - Improvement of Inst. Serv.	<u>290,316.87</u>	<u>(51,000.00)</u>	<u>239,316.87</u>	<u>208,577.89</u>	<u>30,738.98</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	76,533.00	6,000.00	82,533.00	82,332.00	201.00
Salaries of Technology Coordinators	67,552.00	(2,100.00)	65,452.00	65,355.90	96.10
Purchased Professional and Technical Services	42,500.00	(1,300.00)	41,200.00	41,130.58	69.42
Other Purchased Services (400-500 series)	1,200.00	1,300.00	2,500.00	2,500.00	-
Supplies and Materials	8,600.00	-	8,600.00	7,406.23	1,193.77
Other Objects	-	-	-	-	-
Total Undist. Expend. - Edu. Media Serv./Sch. Library	<u>196,385.00</u>	<u>3,900.00</u>	<u>200,285.00</u>	<u>198,724.71</u>	<u>1,560.29</u>

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Cold Springs School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	\$ 5,000.00	\$ (4,815.00)	\$ 185.00	\$ 185.00	\$ -
Other Purchased Services (400-500 series)	-	-	-	-	-
	<u>5,000.00</u>	<u>(4,815.00)</u>	<u>185.00</u>	<u>185.00</u>	<u>-</u>
Total Undist. Expend. - Instructional Staff Training Serv.					
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	235,247.00	-	235,247.00	235,243.68	3.32
Salaries of Secretarial and Clerical Assistants	127,449.00	1,000.00	128,449.00	128,190.81	258.19
Other Purchased Services (400-500 series)	19,700.00	(5,339.00)	14,361.00	8,605.26	5,755.74
Supplies and Materials	13,450.00	(6,870.00)	6,580.00	6,558.26	21.74
Other Objects	2,250.00	7,370.00	9,620.00	9,495.00	125.00
	<u>398,096.00</u>	<u>(3,839.00)</u>	<u>394,257.00</u>	<u>388,093.01</u>	<u>6,163.99</u>
Total Undist. Expend. - Support Serv. - School Admin.					
Undist. Expend. - Security					
Salaries	36,525.97	1,000.00	37,525.97	34,716.97	2,809.00
General Supplies	2,000.00	(300.00)	1,700.00	1,450.65	249.35
	<u>38,525.97</u>	<u>700.00</u>	<u>39,225.97</u>	<u>36,167.62</u>	<u>3,058.35</u>
Total Undist. Expend. - Security					
Undist. Expend. - Student Transportation Serv.					
Contr Serv (Oth. Than Bet Home & Sch) - Vendors	7,735.00	300.00	8,035.00	3,262.63	4,772.37
	<u>7,735.00</u>	<u>300.00</u>	<u>8,035.00</u>	<u>3,262.63</u>	<u>4,772.37</u>
Total Undist. Expend. - Student Transportation Serv.					(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Blended Resource Fund
Schedule of Blended Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2017

<u>School: Cold Springs School</u>	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
UNALLOCATED BENEFITS					
Health Benefits	\$ 2,350,000.00	\$ 20,000.00	\$ 2,370,000.00	\$ 2,070,000.00	\$ 300,000.00
TOTAL UNALLOCATED BENEFITS	2,350,000.00	20,000.00	2,370,000.00	2,070,000.00	300,000.00
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	2,350,000.00	20,000.00	2,370,000.00	2,070,000.00	300,000.00
TOTAL UNDISTRIBUTED EXPENDITURES	3,470,139.84	(35,204.00)	3,434,935.84	3,088,165.44	346,770.40
TOTAL SCHOOL BASED BUDGET CURRENT EXPENSE	7,978,018.55	(53,871.00)	7,924,147.55	7,407,698.73	516,448.82
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades 1-5	-	53,271.00	53,271.00	11,675.00	41,596.00
Grades 9-12	-	-	-	-	-
Total Equipment	-	53,271.00	53,271.00	11,675.00	41,596.00
TOTAL CAPITAL OUTLAY	-	53,271.00	53,271.00	11,675.00	41,596.00
TOTAL SCHOOL BASED EXPENDITURES	7,978,018.55	(600.00)	7,977,418.55	7,419,373.73	558,044.82
Other Financing Sources:					
Operating Transfers In:					
Contribution to Whole School Reform: General Fund	7,954,330.00	(600.00)	7,953,730.00	7,482,032.32	471,697.68
Total Other Financing Sources:	7,954,330.00	(600.00)	7,953,730.00	7,482,032.32	471,697.68
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(23,688.55)	-	(23,688.55)	62,658.59	86,347.14
Fund Balance, July 1	23,688.55	-	23,688.55	23,688.55	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 86,347.14	\$ 86,347.14

SPECIAL REVENUE FUND

GLOUCESTER CITY SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	Total	Title I	Title II-A	IDEA Basic	IDEA Preschool	Carl Perkins	Total Brought Forward
REVENUES:							
Federal Sources	\$ 1,750,990.53	\$ 925,147.46	\$ 85,897.07	\$ 702,303.00	\$ 24,154.00	\$ 13,489.00	\$ -
State Sources	3,991,928.31						3,991,928.31
Total Revenues	5,742,918.84	925,147.46	85,897.07	702,303.00	24,154.00	13,489.00	3,991,928.31
EXPENDITURES:							
Instruction:							
Salaries of Teachers	1,691,198.41	440,410.38	62,990.00				1,187,798.03
Other Salaries for Instruction	595,966.48						595,966.48
Purchased Professional and Technical Services	95,861.20	14,426.20		81,435.00			-
Purchased Professional - Educational Services	221,860.72						221,860.72
Other Purchased Services (400-500 series)	189,666.96	14,186.26			24,154.00		151,326.70
Tuition	615,486.00			615,486.00			-
Supplies and Material	27,542.81					10,290.96	17,251.85
General Supplies	151,741.44	151,741.44					-
Textbooks	31,274.67						31,274.67
Other Objects	3,349.74					1,662.83	1,686.91
Total Instruction	3,623,948.43	620,764.28	62,990.00	696,921.00	24,154.00	11,953.79	2,207,165.36
Support Services:							
Salaries of Principals/Asst. Principals/Program Directors	115,930.46	20,187.50					95,742.96
Salaries of Other Professional Staff	211,425.16						211,425.16
Salaries of Secretarial and Clerical Assistants	128,294.78			5,000.00			123,294.78
Other Salaries	97,638.45	7,484.31					90,154.14
Sal. of Fam/Parent Liaison & Cmnty Prnt Involvement Specialists	76,868.88						76,868.88
Sal. of Facilitators, Math, Literacy, and Master Teacher	84,540.00						84,540.00
Personal Services - Employee Benefits	1,234,230.73	100,370.73	17,913.00	382.00			1,115,565.00
Purchased Professional and Technical Services	5,760.00	1,760.00	4,000.00				-
Purchased Professional - Educational Services	136,947.50	136,280.50				667.00	-
Other Purchased Professional Services - Educational Services	3,650.00						3,650.00
Other Purchased Services (400-500 series)	22,475.99	14,242.21				780.00	7,453.78
Contract Services-Transportation (Between Home & School)	35,836.20						35,836.20
Contract Services-Transportation (Other than Between Home & Sch)	2,510.50						2,510.50
Travel	126.42	32.50					93.92
Supplies and Material	37,245.30	11,222.39	994.07			88.21	24,940.63
Other Objects	607.00						607.00
Total Support Services	2,194,087.37	291,580.14	22,907.07	5,382.00	-	1,535.21	1,872,682.95
Facilities Acquisition and Construction Services:							
Instructional Equipment	24,803.04	12,803.04					12,000.00
Total Facilities Acquisition and Construction Services	24,803.04	12,803.04	-	-	-	-	12,000.00
Total Expenditures	5,842,838.84	925,147.46	85,897.07	702,303.00	24,154.00	13,489.00	4,091,848.31
Other Financing Sources (Uses):							
Transfer from/(to) General Fund	99,920.00						99,920.00
Total Other Financing Sources (Uses)	99,920.00	-	-	-	-	-	99,920.00
Total Expenditures and Other Financing Sources (Uses)	5,742,918.84	925,147.46	85,897.07	702,303.00	24,154.00	13,489.00	3,991,928.31
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	Total Carried Forward	NJ Non-public Technology	NJ Non-public Textbook	NJ Non-public Nursing	NJ Non-public Chapter 192/193	NJ Non-public Security	NJ Preschool Education
REVENUES:							
Federal Sources							
State Sources	\$ 3,991,928.31	\$ 14,144.00	\$ 31,274.67	\$ 50,850.00	\$ 220,329.64	\$ 28,250.00	\$ 3,647,080.00
Total Revenues	3,991,928.31	14,144.00	31,274.67	50,850.00	220,329.64	28,250.00	3,647,080.00
EXPENDITURES:							
Instruction:							
Salaries of Teachers	1,187,798.03			46,228.00			1,141,570.03
Other Salaries for Instruction	595,966.48						595,966.48
Purchased Professional and Technical Services	-						
Purchased Professional - Educational Services	221,860.72				218,215.72		3,645.00
Other Purchased Services (400-500 series)	151,326.70				2,113.92		149,212.78
Tuition	-						
Supplies and Material	17,251.85						17,251.85
General Supplies	-						
Textbooks	31,274.67		31,274.67				
Other Objects	1,686.91						1,686.91
Total Instruction	2,207,165.36	-	31,274.67	46,228.00	220,329.64	-	1,909,333.05
Support Services:							
Salaries of Principals/Asst. Principals/Program Directors	95,742.96						95,742.96
Salaries of Other Professional Staff	211,425.16						211,425.16
Salaries of Secretarial and Clerical Assistants	123,294.78						123,294.78
Other Salaries	90,154.14						90,154.14
Sal. of Fam/Parent Liaison & Cmnty Prnt Involvement Specialists	76,868.88						76,868.88
Sal. of Facilitators, Math, Literacy, and Master Teacher	84,540.00						84,540.00
Personal Services - Employee Benefits	1,115,565.00			4,622.00			1,110,943.00
Purchased Professional and Technical Services	-						
Purchased Professional - Educational Services	-						
Other Purchased Professional Services - Educational Services	3,650.00						3,650.00
Other Purchased Services (400-500 series)	7,453.78					7,453.78	
Contract Services-Transportation (Between Home & School)	35,836.20						35,836.20
Contract Services-Transportation (Other than Between Home & Sch)	2,510.50						2,510.50
Travel	93.92						93.92
Supplies and Material	24,940.63	14,144.00				8,796.22	2,000.41
Other Objects	607.00						607.00
Total Support Services	1,872,682.95	14,144.00	-	4,622.00	-	16,250.00	1,837,666.95
Facilities Acquisition and Construction Services:							
Instructional Equipment	12,000.00					12,000.00	
Total Facilities Acquisition and Construction Services	12,000.00	-	-	-	-	12,000.00	-
Total Expenditures	4,091,848.31	14,144.00	31,274.67	50,850.00	220,329.64	28,250.00	3,747,000.00
Other Financing Sources (Uses):							
Transfer from/(to) General Fund	99,920.00						99,920.00
Total Other Financing Sources (Uses)	99,920.00	-	-	-	-	-	99,920.00
Total Expenditures and Other Financing Sources (Uses)	3,991,928.31	14,144.00	31,274.67	50,850.00	220,329.64	28,250.00	3,647,080.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

GLOUCESTER CITY SCHOOL DISTRICT
Special Revenue Fund
Preschool Education Aid Schedule of Expenditures - Budgetary Basis
All Programs
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 1,244,385.00	\$ (102,814.97)	\$ 1,141,570.03	\$ 1,141,570.03	\$ -
Other Salaries for Instruction	701,583.00	(105,616.52)	595,966.48	595,966.48	-
Purchased Professional - Educational Services	5,000.00	(1,355.00)	3,645.00	3,645.00	-
Other Purchased Services (400-500 series)	7,000.00	142,212.78	149,212.78	149,212.78	-
Supplies and Material	15,000.00	2,251.85	17,251.85	17,251.85	-
Other Objects	2,000.00	(313.09)	1,686.91	1,686.91	-
Total Instruction	1,974,968.00	(65,634.95)	1,909,333.05	1,909,333.05	-
Support Services:					
Salaries of Principals/Asst. Principals/Program Directors	95,743.00	(0.04)	95,742.96	95,742.96	-
Salaries of Other Professional Staff	231,826.00	(20,400.84)	211,425.16	211,425.16	-
Salaries of Secretarial and Clerical Assistants	122,580.00	714.78	123,294.78	123,294.78	-
Salaries - Other	32,983.00	57,171.14	90,154.14	90,154.14	-
Sal. of Fam/Parent Liaison & Cmnty Prnt Involvement Specialists	75,618.00	1,250.88	76,868.88	76,868.88	-
Sal. of Facilitators, Math, Literacy, and Master Teacher	86,832.00	(2,292.00)	84,540.00	84,540.00	-
Personal Services - Employee Benefits	1,110,943.00	-	1,110,943.00	1,110,943.00	-
Other Purchased Professional Services	6,000.00	(2,350.00)	3,650.00	3,650.00	-
Contract Services-Transportation (Between Home & School)	-	35,836.20	35,836.20	35,836.20	-
Contract Services-Transportation (Other than Between Home & Sch)	5,000.00	(2,489.50)	2,510.50	2,510.50	-
Travel	500.00	(406.08)	93.92	93.92	-
Supplies and Material	3,000.00	(999.59)	2,000.41	2,000.41	-
Other Objects	1,007.00	(400.00)	607.00	607.00	-
Total Support Services	1,772,032.00	65,634.95	1,837,666.95	1,837,666.95	-
Total Expenditures	\$ 3,747,000.00	\$ -	\$ 3,747,000.00	\$ 3,747,000.00	\$ -
<u>Calculation of Budget and Carryover</u>					
Total 2016-2017 Preschool Education Aid Allocation				\$ 3,647,080.00	
Add: Actual Preschool Education Aid/ECPA Aid Carryover June 30, 2016				-	
Add: Budgeted transfer from the General Fund 2016-17				99,920.00	
Total Preschool Education Aid Funds Available for 2016-17 Budget				3,747,000.00	
Less: 2015-16 Budgeted Preschool Education Aid (Prior Year Budgeted Carryover)				3,747,000.00	
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2017				-	
Add: June 30, 2017 Unexpended Preschool Education Aid				-	
2016-17 Carryover - Preschool Education Aid/Preschool				\$ -	
2016-17 Preschool Education Aid Carryover Budgeted for Preschool Programs 2017-18				\$ -	

GLOUCESTER CITY SCHOOL DISTRICT
Special Revenue Fund
Preschool Education Aid Schedule of Expenditures - Budgetary Basis
Preschool - Full Day 3yr and 4yr - Regular
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 1,244,385.00	\$ (102,814.97)	\$ 1,141,570.03	\$ 1,141,570.03	\$ -
Other Salaries for Instruction	701,583.00	(105,616.52)	595,966.48	595,966.48	-
Purchased Professional - Educational Services	5,000.00	(1,355.00)	3,645.00	3,645.00	-
Other Purchased Services (400-500 series)	7,000.00	142,212.78	149,212.78	149,212.78	-
General Supplies	15,000.00	2,251.85	17,251.85	17,251.85	-
Other Objects	2,000.00	(313.09)	1,686.91	1,686.91	-
Total Instruction	1,974,968.00	(65,634.95)	1,909,333.05	1,909,333.05	-
Support Services:					
Salaries of Principals/Asst. Principals/Program Directors	95,743.00	(0.04)	95,742.96	95,742.96	-
Salaries of Other Professional Staff	231,826.00	(20,400.84)	211,425.16	211,425.16	-
Salaries of Secretarial and Clerical Assistants	122,580.00	714.78	123,294.78	123,294.78	-
Salaries - Other	32,983.00	57,171.14	90,154.14	90,154.14	-
Sal. of Fam/Parent Liaison & Cmnty Prnt Involvement Specialists	75,618.00	1,250.88	76,868.88	76,868.88	-
Sal. of Facilitators, Math, Literacy, and Master Teacher	86,832.00	(2,292.00)	84,540.00	84,540.00	-
Personal Services - Employee Benefits	1,110,943.00	-	1,110,943.00	1,110,943.00	-
Other Purchased Professional Services	6,000.00	(2,350.00)	3,650.00	3,650.00	-
Contract Services-Transportation (Between Home & School)	-	35,836.20	35,836.20	35,836.20	-
Contract Services-Transportation (Other than Between Home & Sch)	5,000.00	(2,489.50)	2,510.50	2,510.50	-
Travel	500.00	(406.08)	93.92	93.92	-
Supplies and Material	3,000.00	(999.59)	2,000.41	2,000.41	-
Other Objects	1,007.00	(400.00)	607.00	607.00	-
Total Support Services	1,772,032.00	65,634.95	1,837,666.95	1,837,666.95	-
Total Expenditures	\$ 3,747,000.00	\$ -	\$ 3,747,000.00	\$ 3,747,000.00	\$ -

PROPRIETARY FUNDS

GLOUCESTER CITY SCHOOL DISTRICT
 Proprietary Fund
 Statement of Net Position
 June 30, 2017

	Business-Type Activities Enterprise Fund
	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 348,088.47
Accounts Receivable:	
State	862.28
Federal	59,985.54
Inventories	<u>18,846.59</u>
Total Current Assets	<u>427,782.88</u>
Noncurrent Assets:	
Furniture, Fixtures and Equipment	662,826.00
Less Accumulated Depreciation	<u>(489,872.00)</u>
Total Noncurrent Assets	<u>172,954.00</u>
Total Assets	<u>600,736.88</u>
LIABILITIES:	
Current Liabilities:	
Interfund Payable	14,000.00
Unearned Revenue	<u>7,446.80</u>
Total Current Liabilities	<u>21,446.80</u>
NET POSITION:	
Net Investment in Capital Assets	172,954.00
Unrestricted	<u>406,336.08</u>
Total Net Position	<u><u>\$ 579,290.08</u></u>

GLOUCESTER CITY SCHOOL DISTRICT
Proprietary Fund
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2017

	Business-Type Activities Enterprise Fund
	Food Service
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 124,949.62
Daily Sales - Non-Reimbursable Programs	151,751.16
Miscellaneous	13,103.37
Total Operating Revenues	289,804.15
OPERATING EXPENSES:	
Salaries	438,719.50
Employee Benefits	96,165.30
Depreciation	31,170.00
Cost of Sales-Reimbursable Programs	524,600.29
Cost of Sales-Non-Reimbursable Programs	73,561.49
Supplies and Materials	45,415.41
Management Fees	62,524.98
Insurance	16,116.95
Miscellaneous	35,905.42
Total Operating Expenses	1,324,179.34
Operating Income / (Loss)	(1,034,375.19)
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
School Lunch Program	13,537.26
Federal Sources:	
National School Lunch Program	682,906.10
National School Breakfast Program	211,844.06
National Snack Program	34,245.20
Summer Food Program	14,772.10
Food Distribution Program	74,062.93
Interest Earnings	179.92
Total Nonoperating Revenues (Expenses)	1,031,547.57
Change in Net Position	(2,827.62)
Net Position -- July 1	582,117.70
Net Position -- June 30	\$ 579,290.08

GLOUCESTER CITY SCHOOL DISTRICT
Proprietary Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2017

	<u>Business-Type Activities Enterprise Fund</u>
	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 291,591.20
Payments for Purchased Professional Services	(1,123,551.81)
Payments to Suppliers	<u>(87,239.83)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(919,200.44)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
State Sources	13,455.06
Federal Sources	<u>934,478.41</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>947,933.47</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases of Noncurrent Assets	<u>(5,919.00)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(5,919.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Income	<u>179.92</u>
Net Cash Provided by (Used for) Investing Activities	<u>179.92</u>
Net Increase (Decrease) in Cash and Cash Equivalents	22,993.95
Cash and Cash Equivalents -- July 1	<u>325,094.52</u>
Cash and Cash Equivalents -- June 30	<u>\$ 348,088.47</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (1,034,375.19)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Food Distribution Program	74,062.93
Depreciation and Net Amortization	31,170.00
(Increase) Decrease in Inventories	(5,315.38)
Increase (Decrease) in Accounts Payable	14,000.00
Increase (Decrease) in Unearned Revenue	<u>1,257.20</u>
Total Adjustments	<u>115,174.75</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (919,200.44)</u>

FIDUCIARY FUNDS

GLOUCESTER CITY SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Position
 June 30, 2017

	Private-Purpose Trust Funds		Agency Funds		Total
	Unemployment Compensation Trust	Scholarship Trust	Student Activity	Payroll	
ASSETS:					
Cash and Cash Equivalents	\$ 2,383,699.01	\$ 51,368.24	\$ 78,897.51	\$ 48,951.05	\$ 2,562,915.81
Total Assets	<u>2,383,699.01</u>	<u>51,368.24</u>	<u>\$ 78,897.51</u>	<u>\$ 48,951.05</u>	<u>2,562,915.81</u>
LIABILITIES:					
Payable to Student Groups	-	-	\$ 78,897.51	-	\$ 78,897.51
Accrued Salaries and Wages	-	-	-	8,000.00	8,000.00
Payroll Deductions and Withholdings	-	-	-	40,951.05	40,951.05
Total Liabilities	<u>-</u>	<u>-</u>	<u>\$ 78,897.51</u>	<u>\$ 48,951.05</u>	<u>127,848.56</u>
NET POSITION:					
Held in Trust for Scholarships	-	51,368.24			51,368.24
Held in Trust for Unemployment Claims and Other Purposes	<u>2,383,699.01</u>	<u>-</u>			<u>2,383,699.01</u>
Total Net Position	<u>\$ 2,383,699.01</u>	<u>\$ 51,368.24</u>			<u>\$ 2,435,067.25</u>

GLOUCESTER CITY SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Changes in Fiduciary Net Position
 For the Fiscal Year Ended June 30, 2017

	<u>Private-Purpose Trust Funds</u>		
	<u>Unemployment Compensation Trust</u>	<u>Scholarship Trust</u>	<u>Total</u>
ADDITIONS:			
Contributions:			
Board Contributions	\$ 1,100,000.00	\$ -	\$ 1,100,000.00
Plan Member	37,389.16	1,020.00	38,409.16
Total Contributions	<u>1,137,389.16</u>	<u>1,020.00</u>	<u>1,138,409.16</u>
Investment Earnings:			
Interest and Dividends	737.48	27.15	764.63
Total Investment Earnings	<u>737.48</u>	<u>27.15</u>	<u>764.63</u>
Total Additions	<u>1,138,126.64</u>	<u>1,047.15</u>	<u>1,139,173.79</u>
DEDUCTIONS:			
Scholarships Awarded	-	3,750.00	3,750.00
Reimbursements / Claims	59,947.97	-	59,947.97
Total Deductions	<u>59,947.97</u>	<u>3,750.00</u>	<u>63,697.97</u>
Change in Net Position	1,078,178.67	(2,702.85)	1,075,475.82
Net Position -- July 1	<u>1,305,520.34</u>	<u>54,071.09</u>	<u>1,359,591.43</u>
Net Position -- June 30	<u>\$ 2,383,699.01</u>	<u>\$ 51,368.24</u>	<u>\$ 2,435,067.25</u>

GLOUCESTER CITY SCHOOL DISTRICT
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2017

	Balance <u>June 30, 2016</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance <u>June 30, 2017</u>
Elementary School	\$ 12,355.21	\$ 13,536.64	\$ 12,746.44	\$ 13,145.41
High School	<u>75,826.76</u>	<u>186,910.65</u>	<u>196,985.31</u>	<u>65,752.10</u>
Total	<u>\$ 88,181.97</u>	<u>\$ 200,447.29</u>	<u>\$ 209,731.75</u>	<u>\$ 78,897.51</u>

GLOUCESTER CITY SCHOOL DISTRICT
 Fiduciary Funds
 Payroll and Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>
ASSETS:				
Cash and Cash Equivalents	\$ 13,803.90	\$ 24,496,621.82	\$ 24,461,474.67	\$ 48,951.05
Total Assets	<u>\$ 13,803.90</u>	<u>\$ 24,496,621.82</u>	<u>\$ 24,461,474.67</u>	<u>\$ 48,951.05</u>
LIABILITIES:				
Accrued Salaries and Wages	\$ 8,000.00	\$ 13,297,265.35	\$ 13,297,265.35	\$ 8,000.00
Payroll Deductions and Withholdings	<u>5,803.90</u>	<u>11,199,356.47</u>	<u>11,164,209.32</u>	<u>40,951.05</u>
Total Liabilities	<u>\$ 13,803.90</u>	<u>\$ 24,496,621.82</u>	<u>\$ 24,461,474.67</u>	<u>\$ 48,951.05</u>

LONG-TERM DEBT

GLOUCESTER CITY SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2017

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2016</u>	<u>Paid by Budget Appropriation</u>	<u>Balance June 30, 2017</u>
Refunding Bonds of 2010	2/15/2010	\$ 5,835,000	08/15/17	\$ 435,000	2.750%			
			08/15/18	425,000	3.000%			
			08/15/19	440,000	3.500%			
			08/15/20	425,000	3.500%			
			08/15/21	440,000	3.750%			
			08/15/22	435,000	4.125%			
			08/15/23	425,000	4.125%			
			08/15/24	410,000	4.125%	\$ 3,885,000.00	\$ 450,000.00	\$ 3,435,000.00
Refunding Bonds of 2015	11/4/2015	3,470,000	08/15/17	425,000	3.000%			
			08/15/18	440,000	3.000%			
			08/15/19	435,000	3.000%			
			08/15/20	425,000	3.000%			
			08/15/21	415,000	3.000%			
			08/15/22	430,000	3.000%			
			08/15/23	420,000	3.000%	3,425,000.00	435,000.00	2,990,000.00
						<u>\$ 7,310,000.00</u>	<u>\$ 885,000.00</u>	<u>\$ 6,425,000.00</u>

GLOUCESTER CITY SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications / Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/(Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 543,284.00	\$ -	\$ 543,284.00	\$ 543,284.00	\$ -
State Sources:					
Debt Service Aid	565,344.00	-	565,344.00	565,344.00	-
Total Revenues	<u>1,108,628.00</u>	<u>-</u>	<u>1,108,628.00</u>	<u>1,108,628.00</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	225,444.00	-	225,444.00	225,443.75	0.25
Redemption of Principal	885,000.00	-	885,000.00	885,000.00	-
Total Expenditures	<u>1,110,444.00</u>	<u>-</u>	<u>1,110,444.00</u>	<u>1,110,443.75</u>	<u>0.25</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,816.00)	-	(1,816.00)	(1,815.75)	0.25
Fund Balance, July 1	<u>1,816.54</u>	<u>-</u>	<u>1,816.54</u>	<u>1,816.54</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 0.54</u>	<u>\$ -</u>	<u>\$ 0.54</u>	<u>\$ 0.79</u>	<u>\$ 0.25</u>

STATISTICAL SECTION

FINANCIAL TRENDS INFORMATION

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

GLOUCESTER CITY SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities										
Net Investment in Capital Assets	73,649,522.76	30,914,952.91	31,330,159.21	28,679,428.57	28,960,166.34	29,556,280.00	29,918,102.00	30,767,308.00	31,067,690.00	31,173,049.00
Restricted	6,107,865.79	9,620,239.16	9,799,656.06	10,796,890.00	11,443,170.98	11,789,837.00	9,021,629.00	8,771,351.00	7,699,558.00	4,727,404.00
Unrestricted (Deficit)	(14,908,323.25)	(16,455,732.22)	(15,783,951.53)	(2,892,631.98)	(3,061,598.13)	(3,313,234.00)	(3,454,668.00)	(3,697,897.00)	(3,769,348.00)	(1,817,838.00)
Total Governmental Activities Net Position	<u>64,849,065.30</u>	<u>24,079,459.85</u>	<u>25,345,863.74</u>	<u>36,583,686.59</u>	<u>37,341,739.19</u>	<u>38,032,883.00</u>	<u>35,485,063.00</u>	<u>35,840,762.00</u>	<u>34,997,900.00</u>	<u>34,082,615.00</u>
Business-Type Activities										
Net Investment in Capital Assets	172,954.00	198,205.00	208,963.12	160,757.00	132,868.00	114,948.00	129,501.00	142,205.00	146,881.00	165,647.00
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	406,336.08	383,912.70	379,389.31	356,516.12	306,874.15	323,331.00	355,263.00	286,220.00	232,677.00	204,795.00
Total Business-Type Activities Net Position	<u>579,290.08</u>	<u>582,117.70</u>	<u>588,352.43</u>	<u>517,273.12</u>	<u>439,742.15</u>	<u>438,279.00</u>	<u>484,764.00</u>	<u>428,425.00</u>	<u>379,558.00</u>	<u>370,442.00</u>
Government-Wide										
Net Investment in Capital Assets	73,822,476.76	31,113,157.91	31,539,122.33	28,840,185.57	29,093,034.34	29,671,228.00	30,047,603.00	30,909,513.00	31,214,571.00	31,338,696.00
Restricted	6,107,865.79	9,620,239.16	9,799,656.06	10,796,890.00	11,443,170.98	11,789,837.00	9,021,629.00	8,771,351.00	7,699,558.00	4,727,404.00
Unrestricted (Deficit)	(14,501,987.17)	(16,071,819.52)	(15,404,562.22)	(2,536,115.86)	(2,754,723.98)	(2,989,903.00)	(3,099,405.00)	(3,411,677.00)	(3,536,671.00)	(1,613,043.00)
Total Government-Wide Net Position	<u>65,428,355.38</u>	<u>24,661,577.55</u>	<u>25,934,216.17</u>	<u>37,100,959.71</u>	<u>37,781,481.34</u>	<u>38,471,162.00</u>	<u>35,969,827.00</u>	<u>36,269,187.00</u>	<u>35,377,458.00</u>	<u>34,453,057.00</u>

Note: GASB 68 was implemented for June 30, 2015 year end

Source: District Records

GLOUCESTER CITY SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses										
Governmental activities:										
Instruction:										
Regular	15,335,393.74	14,953,396.60	14,828,920.28	14,280,010.49	14,333,057.40	10,846,651.00	14,254,699.00	14,316,288.00	12,772,350.00	13,782,622.00
Special education	4,145,327.51	3,977,822.13	4,133,596.74	4,076,222.41	3,674,687.51	7,086,135.00	3,300,584.00	3,385,910.00	3,315,117.00	3,007,737.00
Other instruction	724,705.52	710,368.50	717,953.73	789,258.72	771,775.05	761,140.00	740,191.00	706,381.00	724,129.00	699,700.00
Support Services:										
Tuition	2,257,384.64	2,371,690.80	2,415,576.04	2,162,002.39	1,964,682.82	1,938,045.00	1,703,269.00	1,082,411.00	1,285,931.00	1,526,332.00
Student & instruction related services	5,912,399.05	5,938,597.06	6,395,483.62	6,480,299.98	6,456,727.06	6,108,433.00	5,899,736.00	5,962,736.00	5,702,922.00	6,411,842.00
General Administration	687,162.82	727,628.86	542,663.80	510,084.21	512,859.52	1,076,515.00	1,034,189.00	1,151,657.00	1,233,410.00	1,237,109.00
School Administrative	1,398,789.95	1,359,607.81	1,572,893.96	1,316,241.89	1,346,231.89	1,383,050.00	1,414,975.00	1,372,722.00	1,321,147.00	1,191,287.00
Central Services / Admin. Information Tech.	574,128.49	601,096.46	661,051.76	594,505.31	538,093.01	-	-	-	-	-
Plant operations and maintenance	3,532,370.66	3,472,866.51	3,488,810.90	3,816,632.91	3,407,451.91	4,188,600.00	3,490,285.00	4,794,795.00	3,991,713.00	4,008,373.00
Pupil transportation	1,393,069.50	957,064.11	1,159,366.27	1,029,120.11	1,022,362.81	1,066,666.00	897,120.00	945,914.00	897,593.00	983,653.00
Unallocated Benefits	22,549,689.70	17,730,136.84	15,678,106.33	10,408,332.51	10,690,706.21	9,007,766.00	8,916,116.00	8,553,156.00	7,426,835.00	8,720,727.00
Special Schools	-	-	124,380.17	127,185.43	140,647.29	145,754.00	148,797.00	166,877.00	162,394.00	164,228.00
Transfer to Charter Schools	170,530.00	291,237.00	234,628.00	135,017.00	154,479.00	104,120.00	51,919.00	41,001.00	31,977.00	28,727.00
Interest on long-term debt	201,136.08	253,061.76	318,152.56	346,039.57	390,679.66	388,799.00	712,610.00	557,974.00	590,313.00	628,538.00
Unallocated depreciation	515,280.80	409,945.80	418,160.21	314,788.74	297,971.60	305,539.00	411,192.00	311,183.00	321,711.00	336,348.00
Total governmental activities expenses	59,397,368.46	53,754,520.24	52,689,744.37	46,385,741.67	45,702,412.74	44,407,213.00	42,975,682.00	43,349,005.00	39,777,542.00	42,727,223.00
Business-type activities:										
Food service	1,324,179.34	1,328,697.49	1,247,094.03	1,203,914.99	1,185,765.36	1,192,661.00	1,037,696.00	1,125,448.00	1,077,816.00	1,013,548.00
Total business-type activities expense	1,324,179.34	1,328,697.49	1,247,094.03	1,203,914.99	1,185,765.36	1,192,661.00	1,037,696.00	1,125,448.00	1,077,816.00	1,013,548.00
Total government-wide expenses	60,721,547.80	55,083,217.73	53,936,838.40	47,589,656.66	46,888,178.10	45,599,874.00	44,013,378.00	44,474,453.00	40,855,358.00	43,740,771.00

GLOUCESTER CITY SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	1,115,396.01	1,072,619.45	1,087,959.62	1,392,700.87	1,530,052.57	1,528,120.00	1,326,699.00	1,108,520.00	860,752.00	735,393.00
Operating grants and contributions	19,109,340.89	15,749,691.69	14,258,678.29	9,834,522.82	10,095,140.23	9,314,355.00	8,421,422.00	9,164,350.00	8,333,292.00	9,409,965.00
Total governmental activities program revenues	20,224,736.90	16,822,311.14	15,346,637.91	11,227,223.69	11,625,192.80	10,842,475.00	9,748,121.00	10,272,870.00	9,194,044.00	10,145,358.00
Business-type activities:										
Charges for services:										
Food service	289,804.15	297,577.49	295,327.09	326,733.79	292,501.49	347,105.00	359,973.00	376,663.00	415,326.00	402,992.00
Operating grants and contributions	1,031,367.65	1,024,749.41	976,123.59	938,569.28	878,061.59	818,707.00	733,612.00	783,766.00	671,606.00	647,605.00
Total business type activities program revenues	1,321,171.80	1,322,326.90	1,271,450.68	1,265,303.07	1,170,563.08	1,165,812.00	1,093,585.00	1,160,429.00	1,086,932.00	1,050,597.00
Total government-wide program revenues	21,545,908.70	18,144,638.04	16,618,088.59	12,492,526.76	12,795,755.88	12,008,287.00	10,841,706.00	11,433,299.00	10,280,976.00	11,195,955.00
Net (Expense)/Revenue										
Governmental activities	(39,172,631.56)	(36,932,208.58)	(37,343,106.46)	(35,158,517.98)	(34,077,219.94)	(33,564,738.00)	(33,227,561.00)	(33,076,135.00)	(30,583,498.00)	(32,581,865.00)
Business-type activities	(3,007.54)	(6,370.59)	24,356.65	61,388.08	(15,202.28)	(26,849.00)	55,889.00	34,981.00	9,116.00	37,049.00
Total government-wide net expense	(39,175,639.10)	(36,938,579.17)	(37,318,749.81)	(35,097,129.90)	(34,092,422.22)	(33,591,587.00)	(33,171,672.00)	(33,041,154.00)	(30,574,382.00)	(32,544,816.00)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes	5,227,609.00	4,210,000.00	3,484,198.00	3,415,880.00	3,348,902.00	3,283,237.00	3,218,860.00	3,095,058.00	2,976,018.00	2,858,502.00
Property taxes levied for debt service	543,284.00	568,774.00	577,576.00	596,179.00	581,438.00	629,322.00	646,069.00	487,420.00	523,302.00	398,831.00
Federal and State Aid Not Restricted	30,652,134.83	30,629,425.83	31,168,151.71	30,334,864.35	29,741,608.42	31,803,533.00	29,069,758.00	30,145,563.00	27,838,203.00	30,686,424.00
Federal and State Aid Restricted	-	-	-	-	-	-	-	-	-	-
Miscellaneous income	255,585.18	257,604.86	204,835.11	74,195.03	65,251.13	427,473.00	111,588.00	220,206.00	161,260.00	333,064.00
Special Items	-	-	-	(20,653.00)	(276,688.62)	(31,007.00)	(174,413.00)	(29,250.00)	-	-
Total governmental activities	36,678,613.01	35,665,804.69	35,434,760.82	34,400,465.38	33,460,510.93	36,112,558.00	32,871,862.00	33,918,997.00	31,498,783.00	34,276,821.00
Business-type activities:										
Federal and State Aid Restricted	-	-	-	-	-	-	-	13,886.00	-	-
Miscellaneous Income	179.92	135.86	247.66	255.89	212.20	-	-	-	-	-
Special Items	43,263,624.00	-	-	15,887.00	16,454.00	(19,186.00)	-	-	-	-
Total business-type activities	43,263,803.92	135.86	247.66	16,142.89	16,666.20	(19,186.00)	-	13,886.00	-	-
Total government-wide	79,942,416.93	35,665,940.55	35,435,008.48	34,416,608.27	33,477,177.13	36,093,372.00	32,871,862.00	33,932,883.00	31,498,783.00	34,276,821.00
Change in Net Position										
Governmental activities	(2,494,018.55)	(1,266,403.89)	(1,908,345.64)	(758,052.60)	(616,709.01)	2,547,820.00	(355,699.00)	842,862.00	915,285.00	1,694,956.00
Business-type activities	43,260,796.38	(6,234.73)	24,604.31	77,530.97	1,463.92	(46,035.00)	55,889.00	48,867.00	9,116.00	37,049.00
Total government	40,766,777.83	(1,272,638.62)	(1,883,741.33)	(680,521.63)	(615,245.09)	2,501,785.00	(299,810.00)	891,729.00	924,401.00	1,732,005.00

Note: GASB 68 was implemented for June 30, 2015 year end

Source: District Records

GLOUCESTER CITY SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund										
Reserved	-	-	-	-	-	-	-	8,574,644.00	7,669,666.00	4,696,570.00
Unreserved	-	-	-	-	-	-	-	(2,326,651.00)	(2,276,084.00)	(741,218.00)
Restricted	6,107,865.00	6,250,382.00	5,802,382.00	6,596,938.00	6,897,027.00	6,464,973.00	5,612,614.00	-	-	-
Assigned	3,297,276.49	3,368,040.62	3,997,274.06	4,199,952.00	4,546,143.98	5,286,169.00	3,376,540.00	-	-	-
Unassigned	(1,789,383.03)	(1,681,756.40)	(1,715,552.22)	(1,778,870.52)	(1,787,210.93)	(2,267,129.00)	(2,103,861.00)	-	-	-
Total General Fund	<u>7,615,758.46</u>	<u>7,936,666.22</u>	<u>8,084,103.84</u>	<u>9,018,019.48</u>	<u>9,655,960.05</u>	<u>9,484,013.00</u>	<u>6,885,293.00</u>	<u>6,247,993.00</u>	<u>5,393,582.00</u>	<u>3,955,352.00</u>
All Other Governmental Funds										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, Reported in:										
Special Revenue Fund	-	-	-	-	-	-	-	(92,915.00)	(241,164.00)	(28,835.00)
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
Restricted	0.79	1,816.54	-	-	-	38,695.00	(255,909.00)	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(258,689.00)	(339,728.00)	(327,238.00)	(322,242.00)	(316,851.20)	-	-	-	-	-
Total all Other Governmental Funds	<u>(258,688.21)</u>	<u>(337,911.46)</u>	<u>(327,238.00)</u>	<u>(322,242.00)</u>	<u>(316,851.20)</u>	<u>38,695.00</u>	<u>(255,909.00)</u>	<u>(92,915.00)</u>	<u>(241,164.00)</u>	<u>(28,835.00)</u>

Note - In accordance with GASB 54, effective for the fiscal year ended June 30, 2011, the description and terminology utilized to identify fund balance was changed.

Source: District Records

GLOUCESTER CITY SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues										
Local Tax Levy	5,770,893.00	4,778,774.00	4,061,774.00	4,012,059.00	3,930,340.00	3,912,559.00	3,864,929.00	3,582,478.00	3,499,320.00	3,257,333.00
Tuition Charges	1,115,396.01	1,072,619.45	1,087,959.62	1,392,700.87	1,530,052.57	1,528,120.00	1,326,699.00	1,108,520.00	860,752.00	735,393.00
Unrestricted Miscellaneous Revenues	255,585.18	257,604.86	204,835.11	74,195.03	65,251.13	427,473.00	111,588.00	220,206.00	161,260.00	333,064.00
State Sources	39,811,695.40	39,130,680.98	38,999,128.13	37,765,564.23	37,424,171.71	37,588,241.00	35,202,808.00	32,951,307.00	35,043,040.00	37,901,888.00
Federal Sources	1,884,393.32	1,970,944.54	2,364,536.87	2,403,822.94	2,412,576.94	3,529,647.00	2,288,372.00	6,358,606.00	2,049,217.00	2,194,501.00
Total Revenues	48,837,962.91	47,210,623.83	46,718,233.73	45,648,342.07	45,362,392.35	46,986,040.00	42,794,396.00	44,221,117.00	41,613,589.00	44,422,179.00
Expenditures										
Instruction										
Regular Instruction	13,531,910.94	13,518,586.30	13,365,359.58	13,178,249.91	13,290,156.80	9,859,848.00	13,286,716.00	13,445,495.00	12,752,750.00	12,767,846.00
Special Education Instruction	4,145,327.51	3,977,822.13	4,133,596.74	4,076,222.41	3,674,687.51	7,086,135.00	3,300,584.00	3,385,910.00	3,315,117.00	3,007,737.00
Other Instruction	724,705.52	710,368.50	717,953.73	789,258.72	771,775.05	761,140.00	740,191.00	706,381.00	724,129.00	699,700.00
Support Services:										
Tuition	2,257,384.64	2,371,690.28	2,415,576.04	2,162,002.39	1,964,682.82	1,938,045.00	1,703,269.00	1,082,411.00	1,285,931.00	1,526,332.00
Student & Instruction Related Services	5,912,399.05	5,938,597.06	6,395,483.62	6,480,299.98	6,456,727.06	6,108,433.00	5,899,736.00	5,962,736.00	5,728,063.00	6,411,842.00
General Administrative Services	558,342.62	625,142.41	438,123.75	431,387.03	438,366.62	1,002,739.00	886,877.00	1,005,871.00	1,082,310.00	1,078,691.00
School Administrative Services	1,398,789.95	1,359,607.81	1,572,893.96	1,316,241.89	1,346,231.89	1,309,274.00	1,414,975.00	1,372,722.00	1,321,147.00	1,191,287.00
Central Services / Admin. Information Tech.	445,308.29	498,610.01	556,511.71	515,808.13	463,600.11	-	-	-	-	-
Plant Operations and Maintenance	3,532,370.66	3,472,866.51	3,488,810.90	3,816,632.91	3,407,451.91	3,923,102.00	3,375,321.00	4,135,811.00	3,991,713.00	3,842,918.00
Pupil Transportation	1,393,069.50	957,064.11	1,159,366.27	1,029,120.11	1,022,362.81	1,066,666.00	897,120.00	945,914.00	897,593.00	983,653.00
Unallocated Benefits	12,841,113.39	11,759,558.38	11,269,508.48	10,574,349.05	10,720,891.21	9,007,766.00	8,916,116.00	8,553,156.00	7,426,835.00	8,720,727.00
Special Schools										
Transfer to Charter Schools	170,530.00	291,237.00	234,628.00	135,017.00	140,647.29	145,754.00	148,797.00	166,877.00	162,394.00	164,228.00
Capital Outlay	1,057,951.55	798,763.00	606,351.42	443,335.48	459,405.62	525,212.00	380,101.00	1,195,810.00	359,674.00	337,427.00
Debt Service:										
Principal	885,000.00	905,000.00	850,000.00	860,000.00	850,000.00	885,000.00	780,000.00	650,000.00	705,000.00	705,000.00
Interest and Other Charges	225,443.75	282,070.36	328,601.00	356,563.00	384,526.00	369,482.00	538,368.00	568,362.00	603,055.00	641,280.00
Total Expenditures	49,079,647.37	47,466,983.86	47,657,145.37	46,291,673.44	45,545,991.70	44,092,716.00	42,320,090.00	43,218,457.00	40,387,688.00	42,107,395.00
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(241,684.46)	(256,360.03)	(938,911.64)	(643,331.37)	(183,599.35)	2,893,324.00	474,306.00	1,002,660.00	1,225,901.00	2,314,784.00
Other Financing Sources (Uses)										
Refunding Bonds	-	98,248.90	-	-	-	-	-	-	-	-
Transfers In	99,920.00	162,370.00	99,920.00	198,032.00	173,278.00	164,748.00	256,128.00	303,451.00	270,891.00	2,469,951.00
Transfers Out	(99,920.00)	(162,370.00)	(99,920.00)	(198,032.00)	(173,278.00)	(164,748.00)	(256,128.00)	(303,451.00)	(270,891.00)	(2,469,951.00)
Total Other Financing Sources (Uses)	-	98,248.90	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(241,684.46)	(158,111.13)	(938,911.64)	(643,331.37)	(183,599.35)	2,893,324.00	474,306.00	1,002,660.00	1,225,901.00	2,314,784.00
Debt Service as a percentage of noncapital expenditures	2.54%	2.54%	2.50%	2.65%	2.74%	2.88%	3.14%	2.90%	3.27%	3.22%

Source: District Records

Note: Noncapital expenditures are total expenditures less capital outlay.

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.

Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

GLOUCESTER CITY SCHOOL DISTRICT
 General Fund Other Local Revenue By Source
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Miscellaneous Revenue										
Tuition / Transportation	1,115,396.01	1,072,619.45	1,087,959.62	1,392,700.87	1,530,052.57	1,528,120.00	1,326,699.00	1,108,520.00	860,752.00	735,393.00
Transportation	13,005.00	8,167.60	12,037.06	10,015.95	-	22,609.00	-	9,959.00	8,502.00	5,288.00
Interest	6,104.74	5,122.65	9,236.16	10,434.20	10,740.30	21,015.00	32,224.00	42,429.00	61,148.00	183,136.00
Prior Year Refunds	2,642.65	19,063.04	-	-	-	367,138.00	14,661.00	5,426.00	21,706.00	47,125.00
Admission Fees	7,334.00	14,370.00	11,077.00	15,120.00	12,629.00	14,068.00	9,932.00	11,169.00	7,613.00	10,001.00
E-RATE	35,083.27	133,193.81	-	-	-	-	-	120,975.00	44,243.00	39,447.00
Rentals	-	-	-	-	-	-	6,140.00	5,715.00	-	-
Summer School	-	-	-	-	-	-	16,230.00	13,595.00	15,065.00	14,455.00
SDA Reimbursement	137,973.15	-	497,844.09	-	-	-	-	-	-	-
Cafeteria Aides Reimbursement	-	-	84,000.00	-	-	-	-	-	-	-
Miscellaneous	53,442.37	77,687.76	88,484.89	38,624.88	41,881.83	2,643.00	32,401.00	10,938.00	2,983.00	33,612.00
Total Miscellaneous Revenues	1,370,981.19	1,330,224.31	1,790,638.82	1,466,895.90	1,595,303.70	1,955,593.00	1,438,287.00	1,328,726.00	1,022,012.00	1,068,457.00

Source: District Records

REVENUE CAPACITY INFORMATION

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

GLOUCESTER CITY SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Years
Unaudited

Year	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2016	7,463,000	395,323,600	96,815,400	16,930,100	4,899,300	521,431,400	-	521,431,400	165,155,900	595,832,259	1.008
2015 R	7,619,900	396,823,500	97,311,500	17,010,500	4,621,200	523,386,600	-	523,386,600	164,761,000	523,410,158	0.840
2014	5,263,500	266,834,000	65,708,100	11,613,700	2,698,600	352,117,900	1,826,713	353,944,613	109,657,600	556,049,570	1.130
2013	5,419,500	266,361,200	65,726,700	11,683,000	2,698,600	351,889,000	1,994,358	353,883,358	109,556,400	552,112,633	1.123
2012	5,649,600	266,507,400	71,803,400	6,272,200	2,828,600	353,061,200	2,389,446	355,450,646	109,103,300	623,718,477	1.098
2011	5,961,800	267,015,700	72,664,800	6,247,500	2,888,100	354,777,900	2,197,817	356,975,717	108,746,700	727,015,452	1.083
2010	6,127,200	266,830,300	72,458,000	7,084,500	2,888,100	355,388,100	2,183,417	357,571,517	110,454,900	716,705,059	1.052
2009	6,075,200	266,275,400	73,764,900	7,044,400	2,953,100	356,113,000	2,220,549	358,333,549	110,751,000	653,078,363	0.976
2008	6,845,200	262,553,900	74,025,900	7,026,700	4,653,100	355,104,800	2,941,417	358,046,217	108,802,800	650,877,617	0.954
2007	8,568,400	255,443,700	73,618,500	7,091,700	4,653,100	349,375,400	3,291,449	352,666,849	108,770,100	561,817,706	0.920

- a - Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
b - Tax rates are per \$100
R - Revaluation

GLOUCESTER CITY SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Per \$100.00 of Assessed Valuation
 Last Ten Years
Unaudited

<u>Year</u>	<u>School District Direct Rate</u>			<u>Overlapping Rates</u>			<u>Total Direct and Overlapping Tax Rate</u>
	<u>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>(From J-6) Total Direct School Tax Rate</u>	<u>City of Gloucester</u>	<u>Municipal Library</u>	<u>Camden County</u>	
2016	0.901	0.107	1.008	2.080	0.037	0.946	4.071
2015 R	0.730	0.110	0.840	1.966	0.031	0.829	3.666
2014	0.969	0.161	1.130	2.803	0.052	1.261	5.246
2013	0.950	0.173	1.123	2.777	0.050	1.225	5.175
2012	0.908	0.190	1.098	2.720	0.057	1.269	5.144
2011	0.893	0.190	1.083	2.715	0.063	1.363	5.224
2010	0.872	0.180	1.052	2.726	-	1.226	5.004
2009	0.836	0.140	0.976	2.635	-	1.130	4.741
2008	0.806	0.148	0.954	2.433	-	1.080	4.467
2007	0.800	0.120	0.920	2.156	-	1.049	4.125

R - Revaluation

Source: Abstract of Ratables for the County of Camden

GLOUCESTER CITY SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

<u>Taxpayer</u>	2017			2008		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
GMT Realty LLC	33,432,400.00	1	6.48%			
BKEP Materials LLC	8,878,800.00	2	1.72%			
John Jeffrey Corporation	3,184,100.00	3	0.62%			
WP Logistics LLC	2,564,500.00	4	0.50%			
PSE&G	2,438,800.00	5	0.47%	1,824,800.00	6	0.51%
2020 Management Inc.	1,973,100.00	6	0.38%			
GAF Building Materials Corp	1,887,000.00	7	0.37%			
Crescent Mobile Home Park, LLC	1,882,700.00	8	0.36%			
Holt C/O Passaic Properties LLC	1,597,900.00	9	0.31%			
Ferry Holding LLC	1,293,200.00	10	0.25%			
Gloucester Terminal				24,107,400.00	1	6.73%
Sem Materials, LP				6,013,000.00	2	1.68%
Bell Atlantic				3,590,717.00	3	1.00%
Pro-Build East, LLC				2,682,900.00	4	0.75%
Individual Taxpayer #1				1,942,400.00	5	0.54%
Jai Amba Gloucester, LLC				1,820,500.00	7	0.51%
Gloucester Holdings, LLC				1,737,200.00	8	0.49%
PRC-DeSoto International, Inc.				1,357,200.00	9	0.38%
Individual Taxpayer #2				1,341,100.00	10	0.37%
Total	<u>59,132,500.00</u>		<u>11.46%</u>	<u>46,417,217.00</u>		<u>12.96%</u>

Source: Municipal Tax Assessor

GLOUCESTER CITY SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years
		Amount	Percentage of Levy	
2017	5,770,893.00	5,770,893.00	100.00%	-
2016	4,778,774.00	4,778,774.00	100.00%	-
2015	4,061,774.00	4,061,774.00	100.00%	-
2014	4,012,059.00	4,012,059.00	100.00%	-
2013	3,930,340.00	3,930,340.00	100.00%	-
2012	3,912,559.00	3,912,559.00	100.00%	-
2011	3,864,929.00	3,864,929.00	100.00%	-
2010	3,582,478.00	3,582,478.00	100.00%	-
2009	3,499,320.00	3,499,320.00	100.00%	-
2008	3,257,333.00	3,257,333.00	100.00%	-

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

Source: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

GLOUCESTER CITY SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities		Total District	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Capital Leases	Capital Leases				
2017	6,425,000.00	-	-	-	6,425,000.00	Unavailable	Unavailable
2016	7,310,000.00	-	-	-	7,310,000.00	Unavailable	644.68
2015	8,240,000.00	-	-	-	8,240,000.00	1.51%	727.34
2014	9,090,000.00	-	-	-	9,090,000.00	1.71%	803.22
2013	9,950,000.00	-	-	-	9,950,000.00	1.92%	872.65
2012	10,800,000.00	-	-	-	10,800,000.00	2.07%	944.06
2011	11,685,000.00	-	-	-	11,685,000.00	2.39%	1,020.97
2010	12,220,000.00	-	-	-	12,220,000.00	2.56%	1,066.78
2009	12,870,000.00	-	-	-	12,870,000.00	2.65%	1,115.83
2008	13,575,000.00	-	-	-	13,575,000.00	2.93%	1,175.02

(1) Personal income has been estimated based upon the municipal population and per capita

(2) Population information provided by the NJ Dept. Of Labor and Workforce Development

GLOUCESTER CITY SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2017	6,425,000.00	-	6,425,000.00	1.24%	Unavailable
2016	7,310,000.00	-	7,310,000.00	1.40%	644.68
2015	8,240,000.00	-	8,240,000.00	1.57%	727.34
2014	9,090,000.00	-	9,090,000.00	2.57%	803.22
2013	9,950,000.00	-	9,950,000.00	2.81%	872.65
2012	10,800,000.00	-	10,800,000.00	3.04%	944.06
2011	11,685,000.00	-	11,685,000.00	3.27%	1,020.97
2010	12,220,000.00	-	12,220,000.00	3.42%	1,066.78
2009	12,870,000.00	-	12,870,000.00	3.59%	1,115.83
2008	13,575,000.00	-	13,575,000.00	3.79%	1,175.02

(1) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation

(2) Population information provided by the NJ Dept. Of Labor and Workforce Development

GLOUCESTER CITY SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2016
Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
City of Gloucester (1)	15,209,182.02	100.00%	15,209,182.02
Camden County General Obligation Debt (2)	376,137,881.25	1.459% (A)	<u>5,487,315.27</u>
Subtotal, overlapping debt			20,696,497.29
City of Gloucester School District Direct Debt	6,425,000.00	100.00%	<u>6,425,000.00</u>
Total direct and overlapping debt			<u><u>27,121,497.29</u></u>

Sources:

(1) City of Gloucester's Annual Debt Statement - December 31, 2016

(2) County of Camden's Audit Report - December 31, 2016

(A) The debt for this entity was apportioned to Gloucester City by dividing the City's 2016 equalized value by the total 2016 equalized value for the County of Camden, which results in an apportionment of 1.459%.

GLOUCESTER CITY SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2017

		<u>Equalized Valuation Basis (1)</u>
	2016	544,234,840.00
	2015	587,546,700.01
	2014	<u>499,812,491.00</u>
	[A]	<u>1,631,594,031.01</u>
Average equalized valuation of taxable property	[A/3]	543,864,677.00
Debt limit (4% of average equalization value) (2)	[B]	21,754,587.08
Total Net Debt Applicable to Limit	[C]	<u>6,425,000.00</u>
Legal Debt Margin	[B-C]	<u><u>15,329,587.08</u></u>

	<u>Fiscal Year Ended June 30,</u>									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Debit Limit	21,754,587.08	21,728,594.63	21,078,344.81	22,546,156.95	24,377,662.31	26,110,714.00	26,647,227.00	25,676,858.00	23,782,730.00	21,138,115.00
Total net debt applicable to limit (3)	<u>6,425,000.00</u>	<u>7,310,000.00</u>	<u>8,240,000.00</u>	<u>9,090,000.00</u>	<u>9,950,000.00</u>	<u>10,800,000.00</u>	<u>11,685,000.00</u>	<u>12,220,000.00</u>	<u>12,870,000.00</u>	<u>13,575,000.00</u>
Legal Debt Margin	<u>15,329,587.08</u>	<u>14,418,594.63</u>	<u>12,838,344.81</u>	<u>13,456,156.95</u>	<u>14,427,662.31</u>	<u>15,310,714.00</u>	<u>14,962,227.00</u>	<u>13,456,858.00</u>	<u>10,912,730.00</u>	<u>7,563,115.00</u>
Total net debt applicable to the limit as a percentage of debt limit	29.53%	33.64%	39.09%	40.32%	40.82%	41.36%	43.85%	47.59%	54.11%	64.22%

Sources:

- (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A:24-19 for a K through 12 district.
 (3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

GLOUCESTER CITY SCHOOL DISTRICT
 Demographic and Economic Statistics
 Last Ten Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2016	11,339	Unavailable	Unavailable	6.90%
2015	11,329	544,743,636.00	48,084.00	8.20%
2014	11,317	530,608,862.00	46,886.00	9.00%
2013	11,402	519,292,688.00	45,544.00	8.50%
2012	11,440	520,977,600.00	45,540.00	16.50%
2011	11,445	493,268,055.00	43,099.00	16.30%
2010	11,455	489,357,600.00	42,720.00	16.60%
2009	11,534	477,576,804.00	41,406.00	15.80%
2008	11,553	485,133,576.00	41,992.00	10.30%
2007	11,492	462,667,920.00	40,260.00	7.90%

(1) Population information provided by the NJ Dept. Of Labor and Workforce Development

(2) Personal income has been estimated based upon the municipal population and per capita

(3) Per Capita personal income by municipality-estimated based upon the 2010 Census published

(4) Unemployment data provided by the NJ Dept. of Labor and Workforce Development

GLOUCESTER CITY SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	<u>2017</u>			<u>2008</u>		
	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
	Information Not Available			Information Not Available		
	<u>-</u>		<u>0.00%</u>	<u>-</u>		<u>0.00%</u>

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

GLOUCESTER CITY SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
Unaudited

<u>Function/Program</u>	Fiscal Year Ending June 30,									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Instruction										
Regular	174	176	178	178	178	176	176	176	176	177
Special education	80	84	84	86	85	83	83	83	84	83
Other special education	7	9	7	7	7	7	7	7	7	7
Other instruction	42	42	42	42	42	42	42	42	42	42
Nonpublic school programs	1	1	1	1	1	2	2	5	5	5
Adult/continuing education programs	0	0	16	17	16	17	17	17	17	17
Support Services:										
Student & instruction related services	32	32	35	36	35	33	33	33	34	34
General administration	3	3	3	3	3	3	3	3	3	3
School administration	9	9	8	8	7	7	8	8	8	8
Other administration	13	13	14	14	14	14	14	14	14	14
Central services	6	6	6	6	6	6	6	6	6	6
Plant operations and maintenance	38	38	47	46	46	44	44	44	44	44
Pupil transportation	2	2	2	2	2	2	2	2	2	2
Other support services	23	23	23	23	23	23	23	23	23	23
Total	430	438	466	469	465	459	460	463	465	465

Source: District Personnel Records

GLOUCESTER CITY SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
Unaudited

Fiscal Year June 30,	Average Daily Enrollment (ADE) c	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
						Elementary	Junior/ Senior High School				
2017	2,279	46,911,252.07	20,584.14	1.49%	240	1:11	1:11	2,279	2,132	1.79%	93.55%
2016	2,239	45,411,150.50	20,282.07	-6.71%	234	1:11	1:10	2,239	2,112	6.11%	94.34%
2015	2,110	45,872,192.95	21,740.38	1.61%	247	1:11	1:11	2,110	1,981	1.15%	93.89%
2014	2,086	44,631,774.96	21,395.87	1.24%	264	1:11	1:10	2,086	1,964	0.53%	94.15%
2013	2,075	43,852,060.08	21,133.52	3.72%	263	1:11	1:10	2,075	1,950	-0.08%	93.98%
2012	2,077	42,313,022.00	20,375.12	2.05%	246	1:11	1:10	2,077	1,954	2.07%	94.09%
2011	2,035	40,621,621.00	19,965.41	4.58%	246	1:11	1:10	2,035	1,912	-4.81%	93.97%
2010	2,137	40,804,285.00	19,091.51	2.58%	246	1:11	1:10	2,137	1,992	2.74%	93.21%
2009	2,080	38,719,959.00	18,611.79	-2.62%	249	1:11	1:10	2,080	1,962	-1.64%	94.28%
2008	2,115	40,423,688.00	19,111.95	-3.43%	249	1:10	1:09	2,115	2,005	0.89%	94.81%

Sources: District records

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).

GLOUCESTER CITY SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>District Building</u>										
<u>Elementary</u>										
Cold Springs (original building 1995; additions 2005)										
Square Feet	161,294	161,294	161,294	161,294	161,294	161,294	161,294	161,294	161,294	161,294
Capacity (students)	877	877	877	877	877	877	877	877	877	877
Enrollment	904	907	789	876	832	824	838	806	830	856
Mary Ethel Costello School (1921)										
Square Feet	77,336	77,336	77,336	77,336	77,336	77,336	77,336	77,336	77,336	74,336
Capacity (students)	354	354	354	354	354	354	354	354	354	354
Enrollment	439	394	387	373	374	381	381	381	398	359
<u>Junior / Senior High School</u>										
High School (original building 1960; additions 2006)										
Square Feet	172,243	172,243	172,243	172,243	172,243	172,243	172,243	172,243	172,243	172,243
Capacity (students)	826	826	826	826	826	826	826	826	826	726
Enrollment	776	786	888	805	817	869	837	811	891	863
<u>Adult/Alternative School</u>										
Highland Park (1940)										
Square Feet	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367
Capacity (students)	112	112	112	112	112	112	112	112	112	112
Enrollment	-	-	122	91	79	77	136	149	124	125
Number of Schools at June 30, 2017										
Elementary = 1										
Middle School = 1										
Senior High School = 1										
Adult/Alternative School = 1										
Other = 0										

Source: District Records

Note: Year of original construction is shown in parentheses. Enrollment is based on the annual October district count.

GLOUCESTER CITY SCHOOL DISTRICT
 Schedule of Required Maintenance Expenditures by School Facility
 Last Ten Fiscal Years
Unaudited

Undistributed Expenditures - Required Maintenance
 for School Facilities
 11-000-261-xxx

* School Facilities	School Number	Project # (s)	Fiscal Year Ending June 30,										
			2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	
Unallocated	N/A	N/A	18,501.48	-	-	-	-	-	-	-	-	-	-
Mary E. Costello	100	N/A	38,595.37	27,751.21	17,419.87	60,209.82	34,927.69	151,689.00	56,650.00	88,521.00	143,921.00	126,465.00	
Cold Springs	160	N/A	140,636.72	162,146.80	121,100.52	133,781.03	61,164.88	209,726.00	146,242.00	185,058.00	220,285.00	216,916.00	
Junior/Senior High	050	N/A	212,129.69	194,056.99	157,834.61	186,390.90	80,201.57	374,289.00	175,871.00	247,538.00	382,502.00	381,815.00	
Highland Park	999	N/A	2,218.96	3,781.00	4,775.64	5,687.24	-	2,219.00	6,299.00	6,265.00	20,709.00	24,089.00	
Total School Facilities			412,082.22	387,736.00	301,130.64	386,068.99	176,294.14	737,923.00	385,062.00	527,382.00	767,417.00	749,285.00	

* School facilities as defined under EFCFA.
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

Source: District Records

GLOUCESTER CITY SCHOOL DISTRICT

Insurance Schedule

June 30, 2017

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy:		
Property Section	92,820,286	5,000
General Liability Section	6,000,000	1,000
Commercial Inland Marine Section	300,000	1,000
Boiler and Machinery Section	100,000,000	5,000
Commercial Crime Section	50,000	500
Business Auto Section	6,000,000	1,000
School District Legal Liability Coverage	6,000,000	10,000
Workers Compensation Policy	Statutory	
Student Accident Policies	1,000,000	-
Catastrophic Student Accident Coverage	5,000,000	25,000
 Surety Bonds:		
Business Administrator	300,000	1,000
Treasurer of School Funds	325,000	1,000

Source: District Records

SINGLE AUDIT SECTION

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Gloucester City School District
Gloucester City, New Jersey 08030

Report on Compliance for Each Major Federal and State Program

We have audited the Gloucester City School District's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2017. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, 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 Gloucester City School District's, in the County of Camden, State of New Jersey, 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 School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Gloucester City School District, in the County of Camden, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2017.

Report on Internal Control Over Compliance

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

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

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

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Fred S. Caltabiano

Fred S. Caltabiano
Certified Public Accountant
Public School Accountant No. CS00238100

Woodbury, New Jersey
November 27, 2017

GLOUCESTER CITY SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2017

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal CFDA Number	Federal FAIN Number	Pass-Through Entity Identifying Number	Program or Award Amount	Grant Period		Balance June 30, 2016	Carryover / (Walkover) Amount
					From	To		
General Fund:								
U.S. Department of Health and Human Services:								
Passed-through State Department of Education:								
Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	\$ 119,870.65	7/1/2016	6/30/2017		
ARRA - Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	13,532.14	4/1/2009	12/31/2010		
Total Medical Assistance Program							-	-
Total General Fund and U.S. Department of Health and Human Services							-	-
Special Revenue Fund:								
U.S. Department of Education:								
Passed-through State Department of Education:								
No Child Left Behind (NCLB):								
Title I Grants to Local Educational Agencies	84.010	S010A150030	N/A	946,188.00	7/1/2015	6/30/2016	\$ (250,931.43)	\$ (62,492.00)
Title I Grants to Local Educational Agencies	84.010	S010A160030	N/A	928,558.00	7/1/2016	6/30/2017		62,492.00
Total Title I							(250,931.43)	-
Improving Teacher Quality State Grants (Title II)	84.367	S367A150029	N/A	86,458.00	7/1/2015	6/30/2016	(20,656.00)	(8,270.00)
Improving Teacher Quality State Grants (Title II)	84.367	S367A160029	N/A	79,196.00	7/1/2016	6/30/2017		8,270.00
Total Title II							(20,656.00)	-
English Language Acquisition Grants (Title III)	84.365	S365A150030	N/A	12,016.00	7/1/2014	6/30/2015	1,404.00	
Individuals with Disabilities Education Act (IDEA):								
Special Education Cluster:								
Special Education - Grants to States (IDEA, Part B)	84.027	H027A150100	N/A	715,866.00	7/1/2015	6/30/2016	(19,079.94)	(10,586.00)
Special Education - Grants to States (IDEA, Part B)	84.027	H027A160100	N/A	692,114.00	7/1/2016	6/30/2017		10,586.00
Special Education - Preschool Grants (IDEA Preschool)	84.173	H173A160114	N/A	24,154.00	7/1/2016	6/30/2017		
Total IDEA Special Education Cluster							(19,079.94)	-
Career and Technical Education (Perkins)	84.048	V048A160030	N/A	13,489.00	7/1/2016	6/30/2017		
Race to the Top	84.413	B413A120008	N/A	6,502.00	7/1/2014	6/30/2015	(122.00)	
Twenty-First Century Community Learning Centers	84.287	S287C140030	N/A	405,000.00	9/1/2013	8/31/2014	231.26	
Twenty-First Century Community Learning Centers	84.287	S287C150030	N/A	405,000.00	9/1/2014	8/31/2015	3,499.73	
Total Twenty-First Century Community Learning Centers							3,730.99	-
Total Special Revenue Fund and U.S. Department of Education							(285,654.38)	-
Enterprise Fund:								
U.S. Department of Agriculture:								
Passed-through State Department of Education:								
Child Nutrition Cluster:								
Food Distribution Program (Non-Cash Assistance)	10.555	171NJ304N1099	N/A	74,062.93	7/1/2016	6/30/2017		
School Breakfast Program	10.553	16161NJ304N1099	N/A	187,430.05	7/1/2015	6/30/2016	(11,102.27)	
School Breakfast Program	10.553	171NJ304N1099	N/A	211,844.06	7/1/2016	6/30/2017		
After School Snack Program	10.555	16161NJ304N1099	N/A	30,684.36	7/1/2015	6/30/2016	(1,586.76)	
After School Snack Program	10.555	171NJ304N1099	N/A	34,245.20	7/1/2016	6/30/2017		
National School Lunch Program	10.555	16161NJ304N1099	N/A	658,459.45	7/1/2015	6/30/2016	(38,007.46)	
National School Lunch Program	10.555	171NJ304N1099	N/A	682,906.10	7/1/2016	6/30/2017		
Summer Food Service Program	10.559	171NJ304N1099	N/A	14,772.10	7/1/2016	6/30/2017		
Total Child Nutrition Cluster							(50,696.49)	-
Total Enterprise Fund and Total U.S Department of Agriculture							(50,696.49)	-
Total Federal Financial Assistance							\$ (336,350.87)	\$ -

(a) see note 6 to the schedules of expenditures of federal awards and state financial assistance

The accompanying notes to financial statements and notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

Cash Received	Budgetary Expenditures			Passed- Through to Sub recipients	Adjustments (a)	Repayment of Prior Years' Balances	Balance June 30, 2017		
	Pass-Through Funds	Direct Funds	Total Budgetary Expenditures				(Accounts Receivable)	Unearned Revenue	Due to Grantor
\$ 119,870.65	\$ (119,870.65)		\$ (119,870.65)						
13,532.14	(13,532.14)		(13,532.14)						
133,402.79	(133,402.79)	-	(133,402.79)	-	-	-	-	-	-
133,402.79	(133,402.79)	-	(133,402.79)	-	-	-	-	-	-
313,357.00					\$ 66.43				
787,151.00	(925,147.46)		(925,147.46)		(0.07)		\$ (75,504.53)		
1,100,508.00	(925,147.46)	-	(925,147.46)	-	66.36	-	(75,504.53)	-	-
28,926.00									
77,627.00	(85,897.07)		(85,897.07)		0.07				
106,553.00	(85,897.07)	-	(85,897.07)	-	0.07	-	-	-	-
					\$ (1,404.00)				
29,666.00					(0.06)				
691,717.00	(702,303.00)		(702,303.00)						
24,154.00	(24,154.00)		(24,154.00)						
745,537.00	(726,457.00)	-	(726,457.00)	-	(0.06)	-	-	-	-
13,489.00	(13,489.00)		(13,489.00)						
122.00									
						\$ (231.26)			
						(3,499.73)			
-	-	-	-	-	-	(3,730.99)	-	-	-
1,966,209.00	(1,750,990.53)	-	(1,750,990.53)	-	(1,337.63)	(3,730.99)	(75,504.53)	-	-
74,062.93	(74,062.93)		(74,062.93)						
11,102.27									
197,358.64	(211,844.06)		(211,844.06)				(14,485.42)		
1,586.76									
32,651.62	(34,245.20)		(34,245.20)				(1,593.58)		
38,007.46									
638,999.56	(682,906.10)		(682,906.10)				(43,906.54)		
14,772.10	(14,772.10)		(14,772.10)						
1,008,541.34	(1,017,830.39)	-	(1,017,830.39)	-	-	-	(59,985.54)	-	-
1,008,541.34	(1,017,830.39)	-	(1,017,830.39)	-	-	-	(59,985.54)	-	-
\$ 3,108,153.13	\$ (2,902,223.71)	\$ -	\$ (2,902,223.71)	\$ -	\$ (1,337.63)	\$ (3,730.99)	\$ (135,490.07)	\$ -	\$ -

GLOUCESTER CITY SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2017

State Grantor / Program or Cluster Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2016		Carryover/ (Walkover) Amount
			From	To	Unearned Revenue / (Accounts Receivable)	Due to Grantor	
General Fund:							
New Jersey Department of Education:							
Current Expense:							
State Aid - Public Cluster:							
Equalization Aid	495-034-5120-078	\$ 18,865,262.00	7/1/2015	6/30/2016	\$ (1,886,526.20)		
Equalization Aid	495-034-5120-078	19,016,980.00	7/1/2016	6/30/2017			
Special Education Categorical Aid	495-034-5120-089	995,008.00	7/1/2015	6/30/2016	(99,500.80)		
Special Education Categorical Aid	495-034-5120-089	1,014,725.00	7/1/2016	6/30/2017			
Security Aid	495-034-5120-084	585,469.00	7/1/2015	6/30/2016	(58,546.90)		
Security Aid	495-034-5120-084	591,010.00	7/1/2016	6/30/2017			
Adjustment Aid	495-034-5120-085	9,360,582.00	7/1/2015	6/30/2016	(864,588.30)		
Adjustment Aid	495-034-5120-085	9,195,313.00	7/1/2016	6/30/2017			
Per Pupil Growth Aid	495-034-5120-097	18,040.00	7/1/2015	6/30/2016	(1,804.00)		
Per Pupil Growth Aid	495-034-5120-097	18,040.00	7/1/2016	6/30/2017			
PARCC Readiness Aid	495-034-5120-098	18,040.00	7/1/2015	6/30/2016	(1,804.00)		
PARCC Readiness Aid	495-034-5120-098	18,040.00	7/1/2016	6/30/2017			
Professional Learning Community Aid	495-034-5120-101	18,830.00	7/1/2016	6/30/2017			
Host District Support Aid	495-034-5120-102	1,575.00	7/1/2016	6/30/2017			
Adult Education Programs Aid	100-034-5120-510	91,907.00	7/1/2015	6/30/2016	(9,190.70)		
Total State Aid - Public Cluster					(2,921,960.90)	-	-
Categorical Transportation Aid	495-034-5120-014	232,091.00	7/1/2015	6/30/2016	(23,209.10)		
Categorical Transportation Aid	495-034-5120-014	233,679.00	7/1/2016	6/30/2017			
Nonpublic Transportation Aid	495-034-5120-014	174.00	7/1/2016	6/30/2017			
Total Transportation Aid					(23,209.10)	-	-
Extraordinary Special Education Aid	100-034-5120-473	533,575.00	7/1/2015	6/30/2016	(533,575.00)		
Extraordinary Special Education Aid	100-034-5120-473	507,012.00	7/1/2016	6/30/2017			
Total Extraordinary Special Education Aid					(533,575.00)	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	1,190,654.63	7/1/2015	6/30/2016	(57,240.07)		
Reimbursed TPAF Social Security Contributions	495-034-5094-003	1,192,848.09	7/1/2016	6/30/2017			
Total Reimbursed TPAF Social Security Contributions					(57,240.07)	-	-
General Fund New Jersey Department of Education Total					(3,535,985.07)	-	-
New Jersey Schools Development Authority:							
Light Fixture Repair	1700-100	137,973.15	7/1/2016	6/30/2017			
Total General Fund					(3,535,985.07)	-	-
Special Revenue Fund:							
New Jersey Department of Education:							
NJ Nonpublic Aid:							
Textbook Aid	100-034-5120-064	34,431.00	7/1/2015	6/30/2016		\$ 1,836.27	
Textbook Aid	100-034-5120-064	31,356.00	7/1/2016	6/30/2017			
Total Textbook Aid					-	1,836.27	-
Nursing Services Aid	100-034-5120-070	50,850.00	7/1/2016	6/30/2017			
Security Aid	100-034-5120-509	28,250.00	7/1/2016	6/30/2017			
Technology Aid	100-034-5120-373	14,144.00	7/1/2016	6/30/2017			
Auxiliary Services (Ch. 192, L. 1977):							
Compensatory Education	100-034-5120-067	181,896.00	7/1/2015	6/30/2016		67,178.43	
Compensatory Education	100-034-5120-067	193,564.00	7/1/2016	6/30/2017			
Transportation	100-034-5120-067	13,984.00	7/1/2015	6/30/2016		10,184.00	
Transportation	100-034-5120-067	13,028.00	7/1/2016	6/30/2017			
Home Instruction	100-034-5120-067	5,920.02	7/1/2015	6/30/2016	(5,920.02)		
Home Instruction	100-034-5120-067	2,113.92	7/1/2016	6/30/2017			
Total Auxiliary Services (Ch. 192, L. 1977)					(5,920.02)	77,362.43	-

Cash Received	Total Budgetary Expenditures	Passed- Through to Sub recipients	Adjustments (a)	Repayment of Prior Years' Balances	Balance June 30, 2017			Memo	
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
\$ 1,886,526.20									
17,091,963.29	\$ (19,016,980.00)				\$ (1,925,016.71)			\$ (1,925,016.71)	\$ (19,016,980.00)
99,500.80									
912,008.24	(1,014,725.00)				(102,716.76)			(102,716.76)	(1,014,725.00)
58,546.90									
531,184.30	(591,010.00)				(59,825.70)			(59,825.70)	(591,010.00)
864,588.30									
8,264,506.37	(9,195,313.00)				(930,806.63)			(930,806.63)	(9,195,313.00)
1,804.00									
16,213.88	(18,040.00)				(1,826.12)			(1,826.12)	(18,040.00)
1,804.00									
16,213.88	(18,040.00)				(1,826.12)			(1,826.12)	(18,040.00)
16,923.91	(18,830.00)				(1,906.09)			(1,906.09)	(18,830.00)
1,415.57	(1,575.00)				(159.43)			(159.43)	(1,575.00)
9,190.70									
29,772,390.34	(29,874,513.00)	-	-	-	(3,024,083.56)	-	-	(3,024,083.56)	(29,874,513.00)
23,209.10									
210,024.56	(233,679.00)				(23,654.44)			(23,654.44)	(233,679.00)
	(174.00)				(174.00)				(174.00)
233,233.66	(233,853.00)	-	-	-	(23,828.44)	-	-	(23,654.44)	(233,853.00)
533,575.00									
	(507,012.00)				(507,012.00)				(507,012.00)
533,575.00	(507,012.00)	-	-	-	(507,012.00)	-	-	-	(507,012.00)
57,240.07									
1,134,979.33	(1,192,848.09)				(57,868.76)				(1,192,848.09)
1,192,219.40	(1,192,848.09)	-	-	-	(57,868.76)	-	-	-	(1,192,848.09)
31,731,418.40	(31,808,226.09)	-	-	-	(3,612,792.76)	-	-	(3,047,738.00)	(31,808,226.09)
137,973.15	(137,973.15)								(137,973.15)
31,869,391.55	(31,946,199.24)	-	-	-	(3,612,792.76)	-	-	(3,047,738.00)	(31,946,199.24)
31,356.00	(31,274.67)			\$ (1,836.27)			\$ 81.33		(31,274.67)
31,356.00	(31,274.67)	-	-	(1,836.27)	-	-	81.33	-	(31,274.67)
50,850.00	(50,850.00)								(50,850.00)
28,250.00	(28,250.00)								(28,250.00)
14,144.00	(14,144.00)								(14,144.00)
193,564.00	(110,631.52)			(67,178.43)			82,932.48		(110,631.52)
13,028.00	(4,000.00)			(10,184.00)			9,028.00		(4,000.00)
5,920.02	(2,113.92)				(2,113.92)				(2,113.92)
212,512.02	(116,745.44)	-	-	(77,362.43)	(2,113.92)	-	91,960.48	-	(116,745.44)

(Continued)

GLOUCESTER CITY SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2017

State Grantor / Program or Cluster Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2016		Carryover/ (Walkover) Amount	
			From	To	Unearned Revenue / (Accounts Receivable)	Due to Grantor		
Handicapped Services (Ch. 193, L. 1977):								
Supplemental Instruction	100-034-5120-066	\$ 48,267.00	7/1/2015	6/30/2016		\$ 8,692.00		
Supplemental Instruction	100-034-5120-066	58,460.00	7/1/2016	6/30/2017				
Examination & Classification	100-034-5120-066	48,239.00	7/1/2015	6/30/2016		3,575.97		
Examination & Classification	100-034-5120-066	84,455.00	7/1/2016	6/30/2017				
Corrective Speech	100-034-5120-066	11,705.00	7/1/2015	6/30/2016		7,107.00		
Corrective Speech	100-034-5120-066	8,835.00	7/1/2016	6/30/2017				
Total Handicapped Services (Ch. 193, L. 1977)						-	19,374.97	-
Preschool Education Aid	495-034-5120-086	3,397,280.00	7/1/2015	6/30/2016	\$ (339,728.00)			
Preschool Education Aid	495-034-5120-086	3,647,080.00	7/1/2016	6/30/2017				
Total Preschool Education Aid					(339,728.00)	-	-	
Total Special Revenue Fund					(345,648.02)	98,573.67	-	
Debt Service Fund:								
New Jersey Department of Education:								
Debt Service Aid	495-034-5120-075	565,344.00	7/1/2016	6/30/2017				
Total Debt Service Fund					-	-	-	
Total New Jersey Department of Education					(3,881,633.09)	98,573.67	-	
Enterprise Fund:								
New Jersey Department of Agriculture:								
State School Lunch Program	100-010-3350-023	13,633.00	7/1/2015	6/30/2016	(780.08)			
State School Lunch Program	100-010-3350-023	13,537.26	7/1/2016	6/30/2017				
Total Enterprise Fund / New Jersey Department of Agriculture					(780.08)	-	-	
Total State Financial Assistance subject to Major Program Determination for State Single Audit					(3,882,413.17)	98,573.67	-	
State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:								
General Fund (Non-Cash Assistance):								
New Jersey Department of the Treasury:								
On-behalf Contributions:								
TPAF Post Retirement Medical	495-034-5094-001	1,574,771.00	7/1/2016	6/30/2017				
Teacher's Pension & Annuity Fund	495-034-5094-002	1,823,883.00	7/1/2016	6/30/2017				
TPAF Non-contributory Insurance	495-034-5094-004	66,083.00	7/1/2016	6/30/2017				
Long-Term Disability Insurance	495-034-5094-004	2,989.00	7/1/2016	6/30/2017				
Total General Fund (Non-Cash Assistance)					-	-	-	
Total State Financial Assistance					\$ (3,882,413.17)	\$ 98,573.67	\$ -	

(a) see note 6 to the schedules of expenditures of federal awards and state financial assistance

The accompanying notes to financial statements and notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

Cash Received	Total Budgetary Expenditures	Passed- Through to Sub recipients	Adjustments (a)	Repayment of Prior Years' Balances	Balance June 30, 2017			Memo	
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
\$ 58,460.00	\$ (42,059.92)			\$ (8,692.00)			\$ 16,400.08	\$ (42,059.92)	
84,455.00	(58,343.68)			(3,575.97)			26,111.32	(58,343.68)	
8,835.00	(3,180.60)			(7,107.00)			5,654.40	(3,180.60)	
151,750.00	(103,584.20)	-	-	(19,374.97)	-	-	48,165.80	-	(103,584.20)
339,728.00									
3,388,391.00	(3,647,080.00)				\$ (258,689.00)			\$ (258,689.00)	(3,647,080.00)
3,728,119.00	(3,647,080.00)	-	-	-	(258,689.00)	-	-	(258,689.00)	(3,647,080.00)
4,216,981.02	(3,991,928.31)	-	-	(98,573.67)	(260,802.92)	-	140,207.61	(258,689.00)	(3,991,928.31)
565,344.00	(565,344.00)								(565,344.00)
565,344.00	(565,344.00)	-	-	-	-	-	-	-	(565,344.00)
36,513,743.42	(36,365,498.40)	-	-	(98,573.67)	(3,873,595.68)	-	140,207.61	(3,306,427.00)	(36,365,498.40)
780.08									
12,674.98	(13,537.26)				(862.28)				(13,537.26)
13,455.06	(13,537.26)	-	-	-	(862.28)	-	-	-	(13,537.26)
36,665,171.63	(36,517,008.81)	-	-	(98,573.67)	(3,874,457.96)	-	140,207.61	(3,306,427.00)	(36,517,008.81)
1,574,771.00	(1,574,771.00)								(1,574,771.00)
1,823,883.00	(1,823,883.00)								(1,823,883.00)
66,083.00	(66,083.00)								(66,083.00)
2,989.00	(2,989.00)								(2,989.00)
3,467,726.00	(3,467,726.00)	-	-	-	-	-	-	-	(3,467,726.00)
\$ 40,132,897.63	\$ (39,984,734.81)	\$ -	\$ -	\$ (98,573.67)	\$ (3,874,457.96)	\$ -	\$ 140,207.61	\$ (3,306,427.00)	\$ (39,984,734.81)

GLOUCESTER CITY SCHOOL DISTRICT

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2017

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Gloucester City School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the enterprise fund is presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3: INDIRECT COST RATE

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the State deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$(102,568.00) for the general fund and \$81,039.00 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 133,402.79	\$ 35,311,357.24	\$ 35,444,760.03
Special Revenue	1,750,990.53	4,072,967.31	5,823,957.84
Debt Service		565,344.00	565,344.00
Food Service	<u>1,017,830.39</u>	<u>13,537.26</u>	<u>1,031,367.65</u>
Total Awards and Financial Assistance	<u>\$ 2,902,223.71</u>	<u>\$ 39,963,205.81</u>	<u>\$ 41,834,061.87</u>

Note 5: 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 6: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2015-2016.

Note 7: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2017, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

Note 8: MAJOR PROGRAMS

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

GLOUCESTER CITY SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2017

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

 Material weakness(es) identified? ___ yes X no

 Significant deficiency (ies) identified? ___ yes X none reported

Noncompliance material to financial statements noted? ___ yes X no

Federal Awards

Internal control over compliance:

 Material weakness(es) identified? ___ yes X no

 Significant deficiency(ies) identified? ___ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)? ___ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>H027A160100</u>	<u>Special Education - Grants to States (IDEA, Part B)</u>
<u>84.173</u>	<u>H173A160114</u>	<u>Special Education - Preschool Grants (IDEA Preschool)</u>
<u>10.553, 10.555, 10.559</u>	<u>171NJ304N1099</u>	<u>Child Nutrition Cluster</u>
_____	_____	_____
_____	_____	_____

Dollar threshold used to determine Type A programs \$ 750,000

Auditee qualified as low-risk auditee? ___ yes X no

GLOUCESTER CITY SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

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

State Financial Assistance

Internal control over compliance:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey Circular 15-08-OMB? yes no

Identification of major programs:

GMIS Numbers

Name of State Program

495-034-5120-078

State Aid Public:
Equalization Aid

495-034-5120-089

Special Education Categorical Aid

495-034-5120-084

Security Aid

495-034-5120-085

Adjustment Aid

495-034-5120-097

Per Pupil Growth Aid

495-034-5120-098

PARCC Readiness Aid

495-034-5120-101

Professional Learning Community Aid

495-034-5120-102

Host District Support Aid

100-034-5120-473

Extraordinary Special Education Aid

Dollar threshold used to determine Type A programs \$ 1,095,510

Auditee qualified as low-risk auditee? yes no

GLOUCESTER CITY SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

Section 2- Schedule of Financial Statement Findings

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

No Current Year Findings.

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

No Current Year Findings.

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

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

No Current Year Findings.

GLOUCESTER CITY SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

Finding No. 2016-001

Condition

9 out of 102 Transported Students sampled from the DRTRS, could not be supported by District records.

Current Status

This condition has been resolved.

FEDERAL AWARDS

No Prior Year Findings.

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings.