

**WOODSTOWN-PILESGROVE  
REGIONAL SCHOOL DISTRICT  
WOODSTOWN, NEW JERSEY**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2017**

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
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## **INTRODUCTORY SECTION**



# Woodstown-Pilesgrove Regional School District

135 East Avenue, Woodstown, NJ 08098

**Virginia M. Grossman**

Superintendent of Schools  
(856) 769-0144, Ext. 22252  
Fax: (856) 769-4549

**Rose Wang Chin**

Business Administrator  
(856) 769-0144, Ext. 22251  
Fax: (856) 769-8036

November 30, 2017

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

Dear Board Members:

The comprehensive annual financial report of the Woodstown-Pilesgrove Regional 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 respects 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, each major fund, and aggregate remaining fund information 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:** The Woodstown-Pilesgrove Regional 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 Woodstown-Pilesgrove Regional 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 Pre-K through 12. These include regular, as well as special education for handicapped students. The following details the changes in the student enrollment of the District over the last five years.

**1) REPORTING ENTITY AND ITS SERVICES (CONT'D):**

**Enrollment**

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2016-17	1,463	-4.07%
2015-16	1,525	-0.52%
2014-15	1,533	-1.54%
2013-14	1,557	-4.36%
2012-13	1,628	-2.57%

**2) ECONOMIC CONDITIONS AND OUTLOOK:** Commercial development, population and residential housing construction within the Borough of Woodstown and the Township of Pilesgrove have remained relatively unchanged over the past couple of years. The Borough of Woodstown's 2016 estimated population was 3,484, compared to 3,315 in 2007. The Township of Pilesgrove's 2016 estimated population was 4,025, compared to 4,502 in 2007.

**3) MAJOR INITIATIVES:**

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

**4) INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with 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. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as 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 of 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 institutions 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, cyber liability, 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:** The preparation of this report would not have been possible without the dedication and skill of the Business Office staff. We would also like to express our appreciation to the members of the Woodstown-Pilesgrove Regional School District Board of Education for their support in providing a sound financial operation.

Respectfully Submitted,



Virginia Grossman  
Superintendent

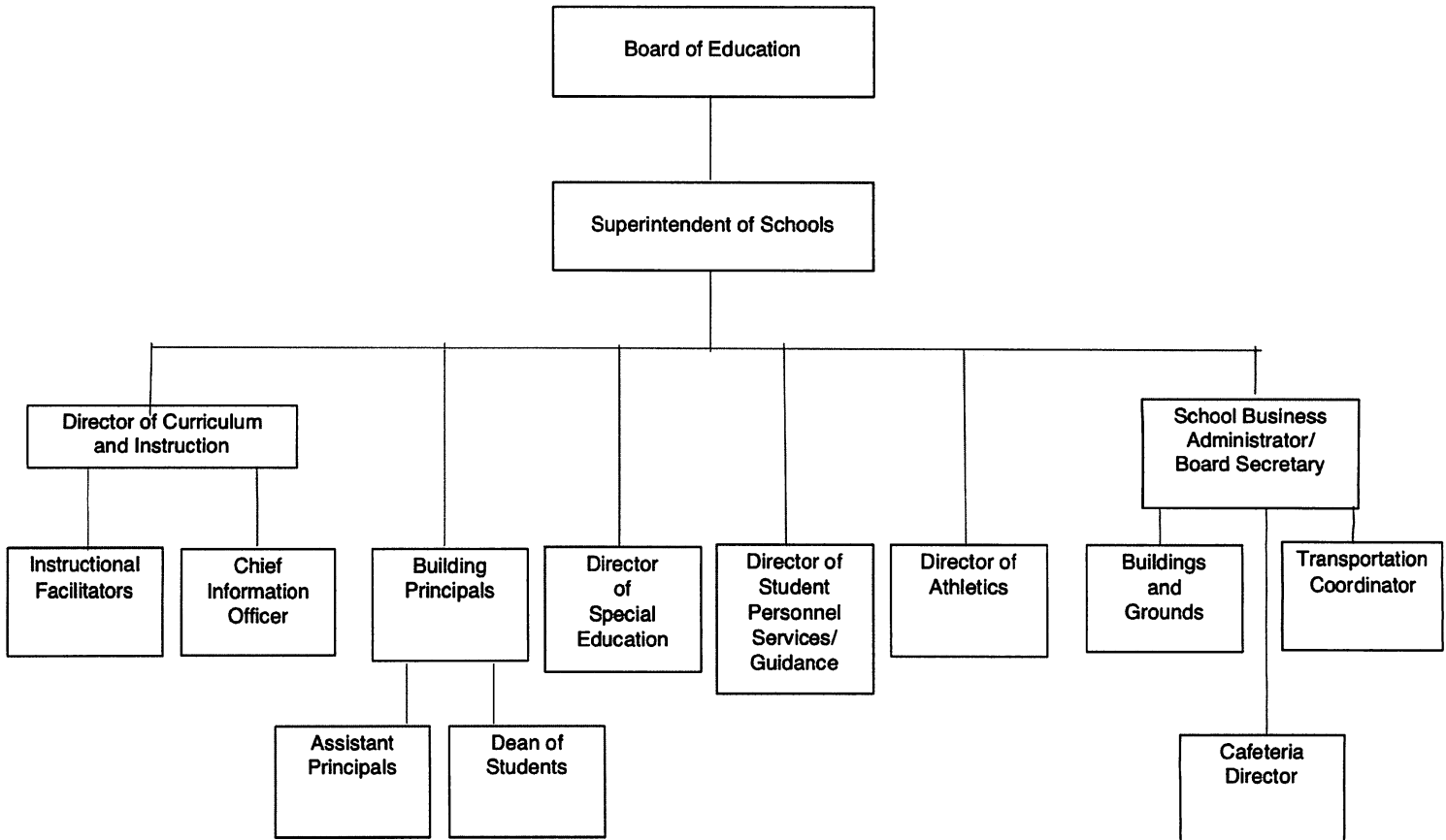
Respectfully Submitted,



Rose Wang Chin  
Business Administrator / Board Secretary

Exhibit

ORGANIZATIONAL CHART



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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**

**ROSTER OF OFFICIALS**

**June 30, 2017**

<b><u>MEMBERS OF THE BOARD OF EDUCATION</u></b>	<b><u>TERM EXPIRES</u></b>
Patrick Bates, President	2018
Robert Iocona, Vice President	2019
Eileen C. Miller	2017
Floyd R. Pennal	2017
Ron Rattigan	2018
Valerie Spence-Lacy	2018
Dr. Julie Stanton	2019
Amy Wojciechowski	2017
Travis Zigo	2019
Richard Morris Jr. (Alloway Township representative)	
Michael Kinney (Upper Pittsgrove Township representative)	

**OTHER OFFICIALS**

Virginia Grossman, Superintendent (7/1/17 – present)

Thomas A. Coleman, Jr., Superintendent (7/1/16 – 6/30/17)

Rose Wang Chin, School Business Administrator / Board Secretary (8/1/17 – present)

Andrew Eubanks, School Business Administrator / Board Secretary (1/17/17 – 8/1/17)

Frank Rizzo, School Business Administrator / Board Secretary (7/1/16 – 1/16/17)

James Hackett, Treasurer of School Monies

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**

**CONSULTANTS AND ADVISORS**

**June 30, 2017**

**AUDIT FIRM**

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

**ATTORNEY**

Robert A. Muccilli  
Capehart & Scatchard P.A.  
8000 Midlantic Drive, Suite 300S  
Mount Laurel, New Jersey 08054

**ARCHITECT**

Garrison Architects  
14000 F. Commerce Parkway  
Mount Laurel, New Jersey 08054

**OFFICIAL DEPOSITORY**

Fulton Bank  
1 South Main Street  
Woodstown, New Jersey 08098

Franklin Saving Bank  
1179 Route 40  
Pilesgrove, New Jersey 08098

**FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Woodstown-Pilesgrove Regional School District  
Woodstown, New Jersey 08098

### **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 Woodstown-Pilesgrove Regional School District, in the County of Salem, 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 Woodstown-Pilesgrove Regional School District, in the County of Salem, 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.

## **Emphasis of Matter**

### *Prior Period Restatement*

As discussed in note 21 to the financial statements, the School District restated its net position for governmental activities and business-type activities as of June 30, 2016 for various prior period adjustments. Our opinions are not modified with respect to this matter.

## **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, and schedule of the School District's contributions, 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 Woodstown-Piles Grove Regional 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.

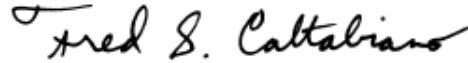
**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2017 on our consideration of the Woodstown-Pilesgrove Regional 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 Woodstown-Pilesgrove Regional School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



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

Woodbury, New Jersey  
November 30, 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  
Woodstown-Pilesgrove Regional School District  
Woodstown, New Jersey 08098

We have audited, in accordance with the auditing standards generally accepted in the United States of America and 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 Woodstown-Pilesgrove Regional School District, in the County of Salem, 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 30, 2017. Our report on the financial statements included an emphasis of matter paragraph describing the restatement of the prior period financial statements resulting from various prior period adjustments.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Woodstown-Pilesgrove Regional 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 Woodstown-Pilesgrove Regional School District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance*, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* to be a material weakness as finding no. 2017-001.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* to be significant deficiencies as findings no. 2017-004 and 2017-005.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Woodstown-Pilesgrove Regional 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 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, and which are described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* as findings no. 2017-002 ad 2017-003.

### The Woodstown-Pilesgrove Regional School District's Response to Findings

The Woodstown-Pilesgrove Regional School District's response to the findings identified in our audit is described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### 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 30, 2017

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

## WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT

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

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The Management's Discussion and Analysis (MD&A) of the Woodstown-Pilesgrove Regional 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 \$591,126.40 (net position).
- Total governmental funds had \$4,236,879.79 in fund balance.

### **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, community school, and pre-school.
- *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.

## WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT

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

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### 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 they have changed. Net position – the difference between the District's assets/deferred outflow of resources and liabilities/deferred inflow of resources – are 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, community school, and pre-school.

#### 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, community school, and pre-school.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**

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

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**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 ensuring 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.

**TABLE 1**  
Net Position

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 5,575,092.89	\$ 9,901,187.00	\$(4,326,094.11)	-43.69%
Capital Assets	<u>25,307,683.48</u>	<u>17,357,617.00</u>	<u>7,950,066.48</u>	<u>45.80%</u>
Total Assets	<u>30,882,776.37</u>	<u>27,258,804.00</u>	<u>3,623,972.37</u>	<u>13.29%</u>
Deferred Outflow of Resources	<u>3,326,245.00</u>	<u>1,556,377.00</u>	<u>1,769,868.00</u>	<u>113.72%</u>
Long-Term Liabilities	30,707,946.49	29,021,456.00	1,686,490.49	5.81%
Other Liabilities	<u>2,367,991.73</u>	<u>2,336,825.64</u>	<u>31,166.09</u>	<u>1.33%</u>
Total Liabilities	<u>33,075,938.22</u>	<u>31,358,281.64</u>	<u>1,717,656.58</u>	<u>5.48%</u>
Deferred Inflow of Resources	<u>541,956.75</u>	<u>128,204.00</u>	<u>413,752.75</u>	<u>322.73%</u>
Net Position:				
Net Investment in Capital Assets	8,973,746.36	(4,328,621.00)	13,302,367.36	-307.31%
Restricted	18,931.02	9,592,408.00	(9,573,476.98)	-99.80%
Unrestricted (Deficit)	<u>(8,401,550.98)</u>	<u>(7,935,091.64)</u>	<u>(466,459.34)</u>	<u>5.88%</u>
Total Net Position (Deficit)	<u>\$ 591,126.40</u>	<u>\$ (2,671,304.64)</u>	<u>\$ 3,262,431.04</u>	<u>-122.13%</u>

**WOODSTOWN-PILES GROVE REGIONAL 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.

**TABLE 2**  
Change in Net Position

<b>Revenues:</b>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Change</u>	<u>% Change</u>
Program revenues:				
Charges for services	\$ 4,460,119.40	\$ 4,889,165.00	\$ (429,045.60)	-8.78%
Operating grants and contributions	8,702,884.26	6,235,197.00	2,467,687.26	39.58%
General revenues:				
Property taxes	11,969,911.00	11,048,569.00	921,342.00	8.34%
Federal & state grants	10,701,588.30	9,267,974.00	1,433,614.30	15.47%
Other	<u>662,203.51</u>	<u>471,421.00</u>	<u>190,782.51</u>	<u>40.47%</u>
<b>Total Revenues</b>	<u>36,496,706.47</u>	<u>31,912,326.00</u>	<u>4,584,380.47</u>	<u>14.37%</u>
<b>Expenses:</b>				
Governmental activities				
Instruction:				
Regular	7,078,006.37	6,890,189.00	187,817.37	2.73%
Special education	2,606,419.84	2,628,113.00	(21,693.16)	-0.83%
Other instruction	860,839.27	855,778.00	5,061.27	0.59%
Support services:				
Tuition	845,641.61	660,539.00	185,102.61	28.02%
Student and instruction related	2,295,417.89	2,199,543.00	95,874.89	4.36%
General administrative services	680,911.64	487,203.00	193,708.64	39.76%
School administrative services	1,256,648.41	1,285,064.00	(28,415.59)	-2.21%
Central services, admin information tech	511,360.86	523,143.00	(11,782.14)	-2.25%
Plant operations and maintenance	1,924,002.01	2,166,468.00	(242,465.99)	-11.19%
Pupil transportation	867,307.41	954,529.00	(87,221.59)	-9.14%
Unallocated benefits	12,877,336.46	10,292,654.00	2,584,682.46	25.11%
Interest on long-term debt	633,069.28	644,244.00	(11,174.72)	-1.73%
Unallocated depreciation	<u>190,725.60</u>	<u>221,710.00</u>	<u>(30,984.40)</u>	<u>-13.98%</u>
Total governmental activities expenses	<u>32,627,686.65</u>	<u>29,809,177.00</u>	<u>2,818,509.65</u>	<u>9.46%</u>
Business-type activities				
Food service	552,868.46	614,643.00	(61,774.54)	-10.05%
Community school	14,874.46	16,853.00	(1,978.54)	-11.74%
Pre-school	<u>38,845.86</u>	<u>50,165.00</u>	<u>(11,319.14)</u>	<u>-22.56%</u>
Total business-type activities expenses	<u>606,588.78</u>	<u>681,661.00</u>	<u>(75,072.22)</u>	<u>-11.01%</u>
<b>Total Expenses</b>	<u>33,234,275.43</u>	<u>30,490,838.00</u>	<u>2,743,437.43</u>	<u>9.00%</u>
Net Increase (Decrease) in Net Position	3,262,431.04	1,421,488.00		
Beginning Net Position (Deficit)	<u>(2,671,304.64)</u>	<u>(4,092,792.64)</u>		
Ending Net Position (Deficit)	<u>\$ 591,126.40</u>	<u>\$ (2,671,304.64)</u>	<u>\$ 3,262,431.04</u>	<u>-122.13%</u>

## WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT

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

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

#### **Governmental-Type Activities**

- There was an increase of \$3,319,365.18 in governmental activities net position. Mainly due to capital assets, from the ongoing referendum projects.
- Property taxes increased \$921,342.00 or 8.34% from the prior year. Most of this increase is the product of funding general fund services and programs, and debt service requirements.
- Total Government Activities Expenses (GASB level) increased \$2,818,509.65 or 9.46% from the prior year.
  - TPAF/PERS Pension related expenses and revenues related to GASB 68, increased by \$2,602,617.00 over the prior year (\$7,192,969.00 - \$4,590,352.00).
  - Total Salaries charged to the general fund budget decreased by (\$62,545.31) or -0.45% compared to the prior year (\$13,899,092.69 - \$13,961,638.00)
  - Total Other Expenses charged to the general fund budget increased by \$142,428.44 or 1.72% compared to the prior year (\$8,415,918.44 - \$8,273,490.00).

#### **Business-Type Activities**

- There was a decrease of (\$56,934.14) in business-type activities net position, mainly due to pension liabilities.

### **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 \$22,434,057.00, actual revenues were \$25,467,898.34.

During fiscal year 2017, the District budgeted \$10,602,367.00 and \$7,202,998.00 for property taxes (general tax levy) and state aid revenues, respectively. The District also received \$762,596.43 and \$2,169,147.00 in reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions, respectively.

The final budgetary basis expenditures was \$22,680,547.30, actual expenditures were \$25,246,754.53.

The District's expenditures also include the reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions of \$762,596.43 and \$2,169,147.00 respectively, which contributes to an unfavorable expenditure variance for the fiscal year.



**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017  
(Unaudited) (Cont'd)

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**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 \$4,236,879.79, a decrease of (\$4,929,258.96) in comparison with the prior year. Mainly due to spending, the capital projects funds available for the referendum projects.

Of the combined ending fund balances of \$4,236,879.79, \$(200,862.24) constitutes unassigned fund balance (does not include final June State Aid Revenue). The remainder of fund balance is assigned or restricted 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 \$38,546.42 is assigned. \$4,167,960.59 is restricted for capital projects.

The general fund is the main operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$(197,562.24) (does not include final June State Aid Revenue), while total fund balance was \$72,218.18.

**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 (deficit) consisted of the following: (\$468,206.22) for the food service program, \$49,088.21 for the community school, and \$5,479.48 for the pre-school. Other factors concerning the finance of this fund have already been addressed in the discussion of the District's business-type activities.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**

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

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**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 \$25,307,683.48 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, and equipment.

There were major HVAC projects during the 2016-2017 year.

**TABLE 3**  
Capital Assets

Capital Assets (Net of Depreciation):	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Land	\$ 871,740.00	\$ 871,740.00
Construction in Progress	12,987,521.15	4,395,385.00
Machinery and Equipment	4,097,776.00	4,097,776.00
Building and Improvements	16,399,921.33	16,393,680.00
Land Improvements	<u>617,126.00</u>	<u>617,126.00</u>
Total Capital Assets	<u>34,974,084.48</u>	<u>26,375,707.00</u>
Less: Accumulated Depreciation	<u>(9,666,401.00)</u>	<u>(9,018,090.00)</u>
Net Capital Assets	<u>\$ 25,307,683.48</u>	<u>\$ 17,357,617.00</u>

Additional information on the District's capital assets can be found in the Notes to the Financial Statements.

**Long-term Debt** - At the end of the current fiscal year, the District had total bonded debt outstanding of \$20,282,000.00 (debt outstanding end of prior year was \$21,132,000.00). The entire District's bonded debt is governmental as opposed to business-type. The bonds have a final maturity date of March 15, 2035.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**

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

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**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 2.16% tax levy increase; based in part on the state aid the District anticipates receiving. The anticipated state aid general fund amount is shown below.

Summary of budgeted state aid revenue anticipated - general fund

<u>Fiscal Year</u>	<u>Amount</u>	<u>Change</u>	
2017-2018	\$7,137,998	\$-65,000	**
2016-2017	7,202,998	39,197	
2015-2016	7,163,801	-0-	
2014-2015	7,163,801		

\*\* = \$12,304.00 more was rescinded after adoption of budget

Any reduction of state aid and increase in expenditures will put an additional burden on the taxpayers of the Borough of Woodstown and the Township of Pilesgrove.

**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 Rose Wang Chin, Business Administrator/Board Secretary at:

Woodstown-Pilesgrove Regional School District  
135 East Avenue  
Woodstown, New Jersey 08098

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT - WIDE FINANCIAL STATEMENTS**

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Statement of Net Position  
June 30, 2017

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 878,696.84	\$ 47,271.69	\$ 925,968.53
Receivables, net	699,597.64	9,407.78	709,005.42
Inventory		18,261.04	18,261.04
Restricted Assets:			
Restricted Cash and Cash Equivalents	3,921,857.90		3,921,857.90
Capital Assets, net (Note 5)	25,276,799.48	30,884.00	25,307,683.48
<b>Total Assets</b>	<b>30,776,951.86</b>	<b>105,824.51</b>	<b>30,882,776.37</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 8)	3,129,997.00	196,248.00	3,326,245.00
<b>LIABILITIES:</b>			
Cash and Cash Equivalents - Deficit		29,267.04	29,267.04
Internal Balances	(21,892.00)	21,892.00	-
Accounts Payable:			
Other	33,409.60	1,536.00	34,945.60
Related to Pensions	281,972.00	17,679.00	299,651.00
Note Payable	671,795.00		671,795.00
Accrued Interest	178,187.00		178,187.00
Unearned Revenue	38,003.24		38,003.24
Noncurrent Liabilities (Note 7):			
Due within One Year	1,113,561.85	2,581.00	1,116,142.85
Due beyond One Year	30,065,190.49	642,756.00	30,707,946.49
<b>Total Liabilities</b>	<b>32,360,227.18</b>	<b>715,711.04</b>	<b>33,075,938.22</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Property Taxes	541,956.75		541,956.75
<b>Total Deferred Inflows of Resources</b>	<b>541,956.75</b>	<b>-</b>	<b>541,956.75</b>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	8,942,862.36	30,884.00	8,973,746.36
Restricted for:			
Debt Service	1.02		1.02
Capital Projects	1.00		1.00
Other Purposes	18,929.00		18,929.00
Unrestricted (Deficit)	(7,957,028.45)	(444,522.53)	(8,401,550.98)
<b>Total Net Position (Deficit)</b>	<b>\$ 1,004,764.93</b>	<b>\$ (413,638.53)</b>	<b>\$ 591,126.40</b>

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

**WOODSTOWN-PILES GROVE REGIONAL 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
<b>Governmental Activities:</b>						
Instruction:						
Regular	\$ 7,078,006.37	\$ 4,136,599.21	\$ 550,932.26	\$ (2,390,474.90)	\$ -	\$ (2,390,474.90)
Special Education	2,606,419.84			(2,606,419.84)		(2,606,419.84)
Other Instruction	860,839.27			(860,839.27)		(860,839.27)
Support Services:						
Tuition	845,641.61			(845,641.61)		(845,641.61)
Student and Instruction Related Services	2,295,417.89		59,722.24	(2,235,695.65)		(2,235,695.65)
General Administrative Services	680,911.64			(680,911.64)		(680,911.64)
School Administrative Services	1,256,648.41			(1,256,648.41)		(1,256,648.41)
Central Services / Admin. Information Technology	511,360.86			(511,360.86)		(511,360.86)
Plant Operations and Maintenance	1,924,002.01			(1,924,002.01)		(1,924,002.01)
Pupil Transportation	867,307.41			(867,307.41)		(867,307.41)
Unallocated Benefits	12,877,336.46		7,866,319.43	(5,011,017.03)		(5,011,017.03)
Interest on Long-Term Debt	633,069.28			(633,069.28)		(633,069.28)
Unallocated Depreciation	190,725.60			(190,725.60)		(190,725.60)
<b>Total Governmental Activities</b>	<b>32,627,686.65</b>	<b>4,136,599.21</b>	<b>8,476,973.93</b>	<b>(20,014,113.51)</b>	<b>-</b>	<b>(20,014,113.51)</b>
<b>Business-Type Activities:</b>						
Food Service	552,868.46	261,837.85	225,910.33		(65,120.28)	(65,120.28)
Community School	14,874.46	21,485.00			6,610.54	6,610.54
Pre-School	38,845.86	40,197.34			1,351.48	1,351.48
<b>Total Business-Type Activities</b>	<b>606,588.78</b>	<b>323,520.19</b>	<b>225,910.33</b>	<b>-</b>	<b>(57,158.26)</b>	<b>(57,158.26)</b>
<b>Total Government</b>	<b>\$ 33,234,275.43</b>	<b>\$ 4,460,119.40</b>	<b>\$ 8,702,884.26</b>	<b>(20,014,113.51)</b>	<b>(57,158.26)</b>	<b>(20,071,271.77)</b>
<b>General Revenues:</b>						
Taxes:						
Property Taxes, Levied for General Purposes				10,602,367.00		10,602,367.00
Property Taxes, Levied for Debt Service				1,367,544.00		1,367,544.00
Federal and State Aid - Unrestricted				10,701,588.30		10,701,588.30
Miscellaneous				661,979.39	224.12	662,203.51
<b>Total General Revenues</b>				<b>23,333,478.69</b>	<b>224.12</b>	<b>23,333,702.81</b>
<b>Change in Net Position</b>				<b>3,319,365.18</b>	<b>(56,934.14)</b>	<b>3,262,431.04</b>
<b>Net Position (Deficit) -- July 1 (Restated)</b>				<b>(2,314,600.25)</b>	<b>(356,704.39)</b>	<b>(2,671,304.64)</b>
<b>Net Position (Deficit) -- June 30</b>				<b>\$ 1,004,764.93</b>	<b>\$ (413,638.53)</b>	<b>\$ 591,126.40</b>

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

**FUND FINANCIAL STATEMENTS**



**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Governmental Funds  
Balance Sheet  
June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 878,695.82	\$ -	\$ 3,921,857.90	\$ 1.02	\$ 4,800,554.74
Interfunds Receivable	27,699.59				27,699.59
Intergovernmental Accounts Receivable:					
Federal		35,011.73			35,011.73
State	254,488.91		246,102.69		500,591.60
Other	159,385.64	4,608.67			163,994.31
<b>Total Assets</b>	<u>\$ 1,320,269.96</u>	<u>\$ 39,620.40</u>	<u>\$ 4,167,960.59</u>	<u>\$ 1.02</u>	<u>\$ 5,527,851.97</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Interfunds Payable		\$ 5,807.59			\$ 5,807.59
Accounts Payable	\$ 33,409.60				33,409.60
Note Payable	671,795.00				671,795.00
Unearned Revenue	890.43	37,112.81			38,003.24
<b>Total Liabilities</b>	<u>706,095.03</u>	<u>42,920.40</u>	<u>-</u>	<u>-</u>	<u>749,015.43</u>
Deferred Inflows of Resources:					
Related to Prepaid Property Taxes	541,956.75				541,956.75
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Capital Reserve	1.00				1.00
Maintenance Reserve	18,929.00				18,929.00
Capital Projects			\$ 4,167,960.59		4,167,960.59
Debt Service				\$ 1.02	1.02
<b>Assigned:</b>					
Designated for Subsequent Year's Expenditures	212,304.00				212,304.00
Other Purposes	38,546.42				38,546.42
Unassigned (Deficit)	(197,562.24)	(3,300.00)			(200,862.24)
<b>Total Fund Balances (Deficit)</b>	<u>72,218.18</u>	<u>(3,300.00)</u>	<u>4,167,960.59</u>	<u>1.02</u>	<u>4,236,879.79</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,320,269.96</u>	<u>\$ 39,620.40</u>	<u>\$ 4,167,960.59</u>	<u>\$ 1.02</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 \$34,837,857.48 and the accumulated depreciation is \$9,561,058.00.	25,276,799.48
Interest on long-term debt in the statement of activities is accrued, regardless of when due.	(178,187.00)
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.	(21,160,643.34)
Net Pension Liability	(10,018,109.00)
Accounts Payable related to the April 1, 2018 Required PERS pension contribution that is not liquidated with current financial resources.	(281,972.00)
Deferred Outflows of Resources - Related to Pensions	3,129,997.00
Deferred Inflows of Resources - Related to Pensions	-
<b>Net Position of Governmental Activities</b>	<u>\$ 1,004,764.93</u>

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

**WOODSTOWN-PILESGROVE REGIONAL 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
<b>REVENUES:</b>					
Local Tax Levy	\$ 10,602,367.00	\$ -	\$ -	\$ 1,367,544.00	\$ 11,969,911.00
Tuition Charges	4,136,599.21				4,136,599.21
Miscellaneous Revenues	542,292.90	3,928.49		115,758.00	661,979.39
State Sources	10,170,256.43	33,000.00	3,439,350.99		13,642,607.42
Federal Sources	25,005.80	573,726.01			598,731.81
<b>Total Revenues</b>	<b>25,476,521.34</b>	<b>610,654.50</b>	<b>3,439,350.99</b>	<b>1,483,302.00</b>	<b>31,009,828.83</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Regular Instruction	6,973,332.86				6,973,332.86
Special Education Instruction	2,023,699.98	550,932.26			2,574,632.24
Other Instruction	860,839.27				860,839.27
<b>Support Services and Undistributed Costs:</b>					
Tuition	845,641.61				845,641.61
Student and Instruction Related Services	2,235,695.65	59,722.24			2,295,417.89
General Administrative Services	617,336.44				617,336.44
School Administrative Services	1,256,648.41				1,256,648.41
Central Services / Admin. Information Tech.	511,360.86				511,360.86
Plant Operations and Maintenance	1,828,639.21				1,828,639.21
Pupil Transportation	867,307.41				867,307.41
Unallocated Benefits	7,219,958.83				7,219,958.83
<b>Debt Service:</b>					
Principal				850,000.00	850,000.00
Interest and Other Charges	6,294.00			633,301.28	639,595.28
Capital Outlay			8,598,377.48		8,598,377.48
<b>Total Expenditures</b>	<b>25,246,754.53</b>	<b>610,654.50</b>	<b>8,598,377.48</b>	<b>1,483,301.28</b>	<b>35,939,087.79</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>229,766.81</b>	<b>-</b>	<b>(5,159,026.49)</b>	<b>0.72</b>	<b>(4,929,258.96)</b>
<b>Fund Balance (Deficit) -- July 1</b>	<b>(157,548.63)</b>	<b>(3,300.00)</b>	<b>9,326,987.08</b>	<b>0.30</b>	<b>9,166,138.75</b>
<b>Fund Balance (Deficit) -- June 30</b>	<b>\$ 72,218.18</b>	<b>\$ (3,300.00)</b>	<b>\$ 4,167,960.59</b>	<b>\$ 1.02</b>	<b>\$ 4,236,879.79</b>

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

**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 Reconciliation of the Statement of Revenues, Expenditures,  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2017

Total Net Change in Fund Balances - Governmental Funds		\$ (4,929,258.96)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<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	\$ (635,752.00)	
Capital Outlays	<u>8,598,377.48</u>	7,962,625.48
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.		850,000.00
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. (+)		6,526.00
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.		(710,087.00)
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 (+).		<u>139,559.66</u>
Change in Net Position of Governmental Activities		<u>\$ 3,319,365.18</u>

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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Proprietary Fund  
Combining Statement of Net Position  
June 30, 2017

	Business-Type Activities - Enterprise Funds			
	Food Service	Community School	Pre-School	Total
<b>ASSETS:</b>				
Current Assets:				
Cash and Cash Equivalents	\$ -	\$ 41,792.21	\$ 5,479.48	\$ 47,271.69
Accounts Receivable:				
State	245.00			245.00
Federal	9,162.78			9,162.78
Inventories	18,261.04			18,261.04
<b>Total Current Assets</b>	<b>27,668.82</b>	<b>41,792.21</b>	<b>5,479.48</b>	<b>74,940.51</b>
Noncurrent Assets:				
Machinery and Equipment (Note 5)	118,562.00	17,665.00		136,227.00
Less Accumulated Depreciation	(96,510.00)	(8,833.00)		(105,343.00)
<b>Total Noncurrent Assets</b>	<b>22,052.00</b>	<b>8,832.00</b>	<b>-</b>	<b>30,884.00</b>
<b>Total Assets</b>	<b>49,720.82</b>	<b>50,624.21</b>	<b>5,479.48</b>	<b>105,824.51</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Related to Pensions (Note 8)	196,248.00			196,248.00
<b>Total Deferred Outflows of Resources</b>	<b>196,248.00</b>	<b>-</b>	<b>-</b>	<b>196,248.00</b>
<b>LIABILITIES:</b>				
Current Liabilities:				
Cash and Cash Equivalents - Deficit	29,267.04			29,267.04
Interfund Payable	21,892.00			21,892.00
Accounts Payable:				
Other		1,536.00		1,536.00
Related to Pensions	17,679.00			17,679.00
Compensated Absences	2,581.00			2,581.00
<b>Total Current Liabilities</b>	<b>71,419.04</b>	<b>1,536.00</b>	<b>-</b>	<b>72,955.04</b>
Noncurrent Liabilities (Note 7):				
Compensated Absences	14,628.00			14,628.00
Net Pension Liability	628,128.00			628,128.00
<b>Total Noncurrent Liabilities</b>	<b>642,756.00</b>	<b>-</b>	<b>-</b>	<b>642,756.00</b>
<b>NET POSITION:</b>				
Net Investment in Capital Assets	22,052.00	8,832.00	-	30,884.00
Unrestricted (Deficit)	(490,258.22)	40,256.21	5,479.48	(444,522.53)
<b>Total Net Position (Deficit)</b>	<b>\$ (468,206.22)</b>	<b>\$ 49,088.21</b>	<b>\$ 5,479.48</b>	<b>\$ (413,638.53)</b>

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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Proprietary Fund  
 Combining Statement of Revenues, Expenses, and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds			
	<u>Food Service</u>	<u>Community School</u>	<u>Pre-School</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 158,873.80			\$ 158,873.80
Daily Sales - Non-Reimbursable Programs	102,964.05			102,964.05
Fees		\$ 21,485.00	\$ 40,197.34	61,682.34
Total Operating Revenues	<u>261,837.85</u>	<u>21,485.00</u>	<u>40,197.34</u>	<u>323,520.19</u>
<b>OPERATING EXPENSES:</b>				
Salaries	198,891.15	10,799.27	36,239.28	245,929.70
Employee Benefits	79,385.50			79,385.50
Depreciation	9,026.00	3,533.00		12,559.00
Cost of Sales-Reimbursable Programs	139,788.64			139,788.64
Cost of Sales-Non-Reimbursable Programs	42,398.00			42,398.00
Supplies and Materials	6,366.60			6,366.60
Pension Expense	66,012.00			66,012.00
Miscellaneous	11,000.57	542.19	2,606.58	14,149.34
Total Operating Expenses	<u>552,868.46</u>	<u>14,874.46</u>	<u>38,845.86</u>	<u>606,588.78</u>
Operating Income (Loss)	<u>(291,030.61)</u>	<u>6,610.54</u>	<u>1,351.48</u>	<u>(283,068.59)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
State Sources:				
State School Lunch Program	4,630.02			4,630.02
Federal Sources:				
National School Lunch Program	158,774.08			158,774.08
National School Breakfast Program	17,034.21			17,034.21
Food Distribution Program	45,472.02			45,472.02
Interest Earnings	161.77	62.35		224.12
Total Nonoperating Revenues (Expenses)	<u>226,072.10</u>	<u>62.35</u>	<u>-</u>	<u>226,134.45</u>
Change in Net Position	(64,958.51)	6,672.89	1,351.48	(56,934.14)
Net Position (Deficit) -- July 1 (Restated)	<u>(403,247.71)</u>	<u>42,415.32</u>	<u>4,128.00</u>	<u>(356,704.39)</u>
Net Position (Deficit) -- June 30	<u>\$ (468,206.22)</u>	<u>\$ 49,088.21</u>	<u>\$ 5,479.48</u>	<u>\$ (413,638.53)</u>

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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Proprietary Fund  
Combining Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2017

Business-Type Activities -  
Enterprise Funds

	Food Service	Community School	Pre-School	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from Customers	\$ 266,238.85	\$ 21,485.00	\$ 43,107.34	\$ 330,831.19
Payments to Employees	(198,891.15)	(15,088.27)	(36,239.28)	(250,218.70)
Payments for Employee Benefits	(94,017.13)			(94,017.13)
Payments to Suppliers	(172,964.06)	(542.19)	(2,606.58)	(176,112.83)
Net Cash Provided by (Used for) Operating Activities	<u>(199,633.49)</u>	<u>5,854.54</u>	<u>4,261.48</u>	<u>(189,517.47)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
State Sources	4,666.36			4,666.36
Federal Sources	177,150.41			177,150.41
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>181,816.77</u>	<u>-</u>	<u>-</u>	<u>181,816.77</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Purchases of Noncurrent Assets				-
Net Cash Provided by (Used for) Capital and Related Financing Activities	-	-	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest Income	161.77	62.35		224.12
Net Cash Provided by (Used for) Investing Activities	<u>161.77</u>	<u>62.35</u>	<u>-</u>	<u>224.12</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(17,654.95)	5,916.89	4,261.48	(7,476.58)
Cash and Cash Equivalents (Deficit) -- July 1	(11,612.09)	35,875.32	1,218.00	25,481.23
Cash and Cash Equivalents (Deficit) -- June 30	<u>\$ (29,267.04)</u>	<u>\$ 41,792.21</u>	<u>\$ 5,479.48</u>	<u>\$ 18,004.65</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income (Loss)	\$ (291,030.61)	\$ 6,610.54	\$ 1,351.48	\$ (283,068.59)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:				
Food Distribution Program	45,472.02			45,472.02
Depreciation and Net Amortization	9,026.00	3,533.00		12,559.00
Increase (Decrease) in Net Pension Liability	44,120.00			44,120.00
(Increase) Decrease in Accounts Receivable, Net	4,401.00		3,385.00	7,786.00
(Increase) Decrease in Inventories	(88.04)			(88.04)
Increase (Decrease) in Accounts Payable	(11,533.86)	(4,289.00)		(15,822.86)
Increase (Decrease) in Unearned Revenue			(475.00)	(475.00)
Total Adjustments	<u>91,397.12</u>	<u>(756.00)</u>	<u>2,910.00</u>	<u>93,551.12</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (199,633.49)</u>	<u>\$ 5,854.54</u>	<u>\$ 4,261.48</u>	<u>\$ (189,517.47)</u>

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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Fiduciary Net Position  
 June 30, 2017

	<u>Private-Purpose Trust Funds</u>		<u>Agency Funds</u>	
	<u>Unemployment Compensation Trust</u>	<u>Scholarship Trust</u>	<u>Student Activity</u>	<u>Payroll</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 216,702.48	\$ 13,481.58	\$ 293,636.70	\$ 2,742.11
Due from Student Activity Fund		7,496.00		
<b>Total Assets</b>	<u>216,702.48</u>	<u>20,977.58</u>	<u>\$ 293,636.70</u>	<u>\$ 2,742.11</u>
<b>LIABILITIES:</b>				
Payable to Student Groups			\$ 286,140.70	
Due to Scholarship Trust			7,496.00	
Payroll Deductions and Withholdings				\$ 2,742.11
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>\$ 293,636.70</u>	<u>\$ 2,742.11</u>
<b>NET POSITION:</b>				
Held in Trust for Scholarships		20,977.58		
Held in Trust for Unemployment Claims and Other Purposes	<u>216,702.48</u>			
<b>Total Net Position</b>	<u>\$ 216,702.48</u>	<u>\$ 20,977.58</u>		

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

**WOODSTOWN-PILESGROVE REGIONAL 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:		
Plan Member	\$ 45,725.22	
Total Contributions	<u>45,725.22</u>	<u>-</u>
Investment Earnings:		
Interest and Dividends	648.80	
Total Investment Earnings	<u>648.80</u>	<u>-</u>
Total Additions	<u>46,374.02</u>	<u>-</u>
DEDUCTIONS:		
Scholarships Awarded		\$ 400.00
Reimbursements Claims / Other	45,544.85	2.69
Total Deductions	<u>45,544.85</u>	<u>402.69</u>
Change in Net Position	829.17	(402.69)
Net Position -- July 1	<u>215,873.31</u>	<u>21,380.27</u>
Net Position -- June 30	<u>\$ 216,702.48</u>	<u>\$ 20,977.58</u>

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



**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2017

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Woodstown-Pilesgrove Regional 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 Salem, 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 1,463.

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.

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 Salem 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**

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 Funds**

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

**Community School Fund** - This fund accounts for the financial activity related to provide educational and recreational activities to the community.

**Pre-School Fund** - This fund accounts for the financial activity related to preschool for certain students.

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, 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.

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

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.

**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.

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

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.

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

**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:

<b><u>Description</u></b>	<b><u>Estimated Lives</u></b>
Buildings & Building Improvements	20-50 Years
Site Improvements	10-20 Years
Furniture, Fixtures and Equipment	5-10 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.

**Prepaid Property Taxes** - When an asset is recorded in governmental fund financial statements but the revenue is not available, the government reports a deferred inflow of resources until such time as the revenue becomes available. During fiscal year 2017, the Township of Pilesgrove prepaid their first 2017-2018 school year tax payment of \$541,956.75.

**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.

**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.

**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, 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 \$6,110,642.31 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 5,842,959.35
Uninsured and Uncollateralized	<u>267,682.96</u>
Total	<u>\$ 6,110,642.31</u>

**New Jersey Cash Management Fund** - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2017, the School District's deposits with the New Jersey Cash Management Fund were \$31,590.62.

**Note 3: 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>Proprietary Funds</u>		
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	<u>Total</u>
Federal Awards		\$ 35,011.73		\$ 35,011.73	\$ 9,162.78	\$ 44,174.51
State Awards	\$ 254,488.91		\$ 246,102.69	500,591.60	245.00	500,836.60
Other	159,385.64	4,608.67		163,994.31		163,994.31
	<u>\$ 413,874.55</u>	<u>\$ 39,620.40</u>	<u>\$ 246,102.69</u>	<u>\$ 699,597.64</u>	<u>\$ 9,407.78</u>	<u>\$ 709,005.42</u>

**Note 4: 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:

Freezer	\$ 5,573.30
Non-Perishable Food	1,285.50
Non-Perishable Other	11,402.24
	<u>\$ 18,261.04</u>

**Note 5: CAPITAL ASSETS**

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

	<u>Balance July 1, 2016</u>	<u>Increases</u>	<u>Transfers / Decreases</u>	<u>Balance June 30, 2017</u>
<b>Governmental Activities:</b>				
Capital Assets, not being Depreciated:				
Land	\$ 871,740.00			\$ 871,740.00
Construction in Progress	4,395,385.00	\$ 8,598,377.48	\$ (6,241.33)	12,987,521.15
Total Capital Assets, not being Depreciated	<u>5,267,125.00</u>	<u>8,598,377.48</u>	<u>(6,241.33)</u>	<u>13,859,261.15</u>
Capital Assets, being Depreciated:				
Building & Building Improvements	16,393,680.00		6,241.33	16,399,921.33
Site Improvements	617,126.00			617,126.00
Machinery and Equipment	3,961,549.00			3,961,549.00
Total Capital Assets, being Depreciated	<u>20,972,355.00</u>	<u>-</u>	<u>6,241.33</u>	<u>20,978,596.33</u>
Total Capital Assets, Cost	<u>26,239,480.00</u>	<u>8,598,377.48</u>	<u>-</u>	<u>34,837,857.48</u>
Less Accumulated Depreciation for:				
Building & Building Improvements	(5,216,782.00)	(445,601.00)		(5,662,383.00)
Site Improvements	(265,786.00)	(28,755.00)		(294,541.00)
Machinery and Equipment	(3,442,738.00)	(161,396.00)		(3,604,134.00)
Total Accumulated Depreciation	<u>(8,925,306.00)</u>	<u>(635,752.00)</u>	<u>-</u>	<u>(9,561,058.00)</u>
Total Capital Assets, being Depreciated, Net	<u>12,047,049.00</u>	<u>(635,752.00)</u>	<u>6,241.33</u>	<u>11,417,538.33</u>
Governmental Activities Capital Assets, Net	<u>\$ 17,314,174.00</u>	<u>\$ 7,962,625.48</u>	<u>-</u>	<u>\$ 25,276,799.48</u>
<b>Business-Type Activities:</b>				
Capital Assets, being Depreciated:				
Machinery and Equipment	\$ 136,227.00			\$ 136,227.00
Less Accumulated Depreciation for:				
Machinery and Equipment	(92,784.00)	\$ (12,559.00)		(105,343.00)
Business-Type Activities Capital Assets, Net	<u>\$ 43,443.00</u>	<u>\$ (12,559.00)</u>	<u>\$ -</u>	<u>\$ 30,884.00</u>

**Note 5: CAPITAL ASSETS (CONT'D)**

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

<b>Governmental Activities:</b>	
Regular Instruction	\$ 254,300.80
Special Education Instruction	31,787.60
General Administration	63,575.20
Plant Operations and Maintenance	95,362.80
Unallocated	<u>190,725.60</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 635,752.00</u>
<b>Business-Type Activities:</b>	
Food Service	\$ 9,026.00
Community School	<u>3,533.00</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 12,559.00</u>

**Note 6: SHORT-TERM OBLIGATIONS**

**State School Aid Anticipation Note** - N.J.S.A. 18A:22-44.2 states that if a board of education of a school district is notified by the Commissioner of Education that one or more June State school aid payments will not be made until the following school budget year, and the district demonstrates through a written application to the Commissioner the need to borrow and the Commissioner approves that application, the board may borrow on or before June 30 of the current school budget year, but not earlier than June 8 of the current school budget year, a sum not exceeding the amount of the delayed State school aid payments, and may execute and deliver promissory notes therefor through private sale or delivery thereof. In accordance with this statute, on June 8, 2017, the School District issued a State School Aid Anticipation Note in the amounts of \$671,795.00, at an annual interest rate of 2.50%, maturing on July 7, 2017. The State of New Jersey shall pay, on behalf of the School District, the required interest due on the note.

<u>Description</u>	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
State School Aid Anticipation Note	<u>\$650,000.00</u>	<u>\$ 671,795.00</u>	<u>\$ (650,000.00)</u>	<u>\$ 671,795.00</u>

**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>
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ 21,132,000.00		\$ (850,000.00)	\$ 20,282,000.00	\$ 915,000.00
Total Bonds Payable	<u>21,132,000.00</u>	<u>-</u>	<u>(850,000.00)</u>	<u>20,282,000.00</u>	<u>915,000.00</u>
Other Liabilities:					
Obligations under Capital Lease	369,525.00		(149,627.29)	219,897.71	119,289.53
Compensated Absences	591,923.00	\$ 74,937.50	(59,557.87)	607,302.63	72,876.32
Pension (PERS) Payment Deferral	57,175.00		(5,732.00)	51,443.00	6,396.00
Net Pension Liability	7,502,683.00	3,979,269.00	(1,463,843.00)	10,018,109.00	
Total Other Liabilities	<u>8,521,306.00</u>	<u>4,054,206.50</u>	<u>(1,678,760.16)</u>	<u>10,896,752.34</u>	<u>198,561.85</u>
Governmental Activities Long-Term Liabilities	<u>\$ 29,653,306.00</u>	<u>\$ 4,054,206.50</u>	<u>\$ (2,528,760.16)</u>	<u>\$ 31,178,752.34</u>	<u>\$ 1,113,561.85</u>

The bonds payable are liquidated by the debt service fund, while obligations under capital lease, compensated absences, pension deferral, and net pension liability are liquidated by the general fund.

During the fiscal year ended June 30, 2017, the following changes occurred in long-term obligations for business-type 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>
<b>Business-Type Activities:</b>					
Other Liabilities:					
Compensated Absences Payable	\$ 15,562.00	\$ 2,475.00	\$ (828.00)	\$ 17,209.00	\$ 2,581.00
Net Pension Liability	471,165.00	249,497.00	(92,534.00)	628,128.00	
Business-Type Activities Long-Term Liabilities	<u>\$ 486,727.00</u>	<u>\$ 251,972.00</u>	<u>\$ (93,362.00)</u>	<u>\$ 645,337.00</u>	<u>\$ 2,581.00</u>

Compensated absences and net pension liability are liquidated by the food service enterprise 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 March 26, 2013, the School District issued \$9,958,000.00 general obligation bonds at interest rates varying from 2.50% to 3.50% for various construction and renovation projects. The final maturity of these bonds is March 15, 2033. The bonds will be paid from property taxes.

On March 17, 2015, the School District issued \$11,907,000.00 general obligation bonds at interest rates varying from 2.75% to 3.25% for various construction and renovation projects. The final maturity of these bonds is March 15, 2035. The bonds will be paid from property taxes.



**Note 7: LONG-TERM LIABILITIES (CONT'D)****Bonds Payable (Cont'd) -**

Principal and interest due on bonds outstanding is as follows:

<b><u>Fiscal Year</u></b> <b><u>Ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2018	\$ 915,000.00	\$ 610,926.28	\$ 1,525,926.28
2019	945,000.00	586,801.28	1,531,801.28
2020	975,000.00	561,888.78	1,536,888.78
2021	1,005,000.00	534,888.78	1,539,888.78
2022	1,030,000.00	507,063.78	1,537,063.78
2023-2027	5,715,000.00	2,060,718.90	7,775,718.90
2028-2032	6,650,000.00	1,139,457.62	7,789,457.62
2033-2035	3,047,000.00	177,645.00	3,224,645.00
Total	<u>\$ 20,282,000.00</u>	<u>\$ 6,179,390.42</u>	<u>\$ 26,461,390.42</u>

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

**Obligations under Capital Lease** - The School District is leasing copiers, computers, and maintenance equipment totaling \$583,882.00 under capital leases. All capital leases are for terms of three to five years. Capital leases are depreciated in a manner consistent with the School District's depreciation policy for owned assets.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2017.

<b><u>Fiscal Year</u></b> <b><u>Ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2018	\$ 119,289.53	\$ 5,258.65	\$ 124,548.18
2019	49,792.58	2,068.59	51,861.17
2020	50,815.60	1,045.57	51,861.17
Total	<u>\$ 219,897.71</u>	<u>\$ 8,372.81</u>	<u>\$ 228,270.52</u>

**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.

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

**Public Employees' Retirement System (PERS) Payment Deferral** - On March 17, 2009, P.L. 2009, c.19 (S-21) was signed into legislation and provided regular and vocational school districts the option of deferring fifty percent (50%) of the school district's 2008-09 regular PERS pension liability. School districts that elected to defer the pension liability were required to begin repaying the deferred amount over fifteen (15) years, starting in April of 2012. The amount to be paid will fluctuate based on the pension system investment earnings on the unfunded liability. At any time, however, upon requesting a payoff amount from the Division of Pensions and Benefits, a school district may pay off the deferred amount. The deferral of the aforementioned PERS payment was only an option for 2008-09 fiscal year. Commencing in fiscal year June 30, 2010, and beyond, the full annual PERS pension liability is required to be budgeted and paid.

The School District adopted a resolution electing to defer fifty percent (50%) of the April 2009 payment, equaling a total deferral of \$79,013.00. The following is a schedule for the payment of the PERS deferral, based on an interest rate of 8.25%. N.J.S.A 43:15A-24b requires the use of "regular interest" when the actuary calculates the amortization of the unfunded accrued liability of the pension system, which is set by the State Treasurer (N.J.S.A. 43:15A-6n) and currently is 8.25%.

Principal and interest due on the outstanding pension deferral is as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Deferral Payment</b>	<b>Interest</b>	<b>Total Projected Payment</b>
2018	\$ 6,396.00	\$ 6,021.00	\$ 12,417.00
2019	4,196.99	3,716.38	7,913.37
2020	4,543.24	3,370.13	7,913.37
2021	4,918.06	2,995.31	7,913.37
2022	5,323.80	2,589.57	7,913.37
2023-2026	26,064.91	5,588.60	31,653.51
Total	<u>\$ 51,443.00</u>	<u>\$ 24,280.99</u>	<u>\$ 75,723.99</u>

**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.

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

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 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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 7.95% 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 \$824,470.00, and was paid by April 1, 2017. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$746,164.40.

**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 14.18% 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 \$319,341.00 and was paid by April 1, 2017. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$153,093.14.

**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 \$17,553.18, and the School District recognized pension expense, which equaled the required contributions, of \$9,574.55. 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	81,439,155.00
	<u>\$ 81,439,155.00</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 .1035247439%, which was a decrease of .0007687869% from its proportion measured as of June 30, 2015.

**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)**

**Teachers' Pension and Annuity Fund (Cont'd)** - For the fiscal year ended June 30, 2017, the School District recognized \$6,119,019.00 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.

**Public Employees' Retirement System** - At June 30, 2017, the School District reported a liability of \$10,646,237.00 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 .0359462105%, which was an increase of .0004247841% from its proportion measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the School District recognized pension expense of \$1,073,950.00, 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:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience	\$ 197,988.00	\$ -
Changes of Assumptions	2,205,332.00	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	405,951.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	217,323.00	-
School District Contributions Subsequent to the Measurement Date	299,651.00	-
	<u>\$ 3,326,245.00</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)** - \$299,651.00, 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:

<b>Year Ending June 30,</b>	
2018	\$ 690,014.00
2019	690,014.00
2020	790,283.00
2021	651,710.00
2022	<u>204,573.00</u>
	<u>\$ 3,026,594.00</u>

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:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
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:

	<b><u>TPAF</u></b>	<b><u>PERS</u></b>
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:

	<b>TPAF</b>		
	<b>1% Decrease (2.22%)</b>	<b>Current Discount Rate (3.22%)</b>	<b>1% Increase (4.22%)</b>
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	97,256,551.00	81,439,155.00	68,522,210.00
	<u>\$ 97,256,551.00</u>	<u>\$ 81,439,155.00</u>	<u>\$ 68,522,210.00</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:

	<b>PERS</b>		
	<b>1% Decrease (2.98%)</b>	<b>Current Discount Rate (3.98%)</b>	<b>1% Increase (4.98%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ 13,045,720.00	\$ 10,646,237.00	\$ 8,665,255.00

**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](http://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 \$1,140,474.00, \$41,322.00, \$984,704.00, and \$2,647.00, 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>Interest Income</u>	<u>Claims Incurred</u>	<u>Transfer to School District</u>	<u>Ending Balance</u>
2017	\$ -	\$ 45,725.22	\$ 648.80	\$ 45,544.85		\$ 216,702.48
2016	-	23,423.00	675.31	67,104.00		215,873.31
2015	-	24,614.00	874.00	14,925.00	\$ 100,000.00	258,879.00

**Note 12: DEFERRED COMPENSATION**

The School District offers its employees a choice of eight 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 as follows:

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

**Note 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.

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

The liability for vested compensated absences 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 \$607,302.63 and \$17,209.00, 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	\$ 27,699.59	
Special Revenue		\$ 5,807.59
Food Service		21,892.00
	<u>\$ 27,699.59</u>	<u>\$ 27,699.59</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.

**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: COMMITMENTS**

The School District had multiple construction projects ongoing as of the fiscal year ended June 30, 2017 that are to continue into the subsequent fiscal year. These projects, which are related to the capital projects fund, are as follows:

<u>Contract</u>	<u>Amount Outstanding</u>
Middle/High and Shoemaker School HVAC	\$ 3,035,505.96

**Note 18: DEFICIT FUND BALANCES**

The School District has a deficit fund balance of \$(197,562.24) in the general fund and \$(3,300.00) 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 \$(200,862.24) is less than the June state aid payments.

The School District had an accumulated deficit of \$(490,258.22) in the food service fund as of June 30, 2017. The accumulated deficit was caused, in large part, by liabilities related to the net pension liability and accumulated absences in the amount of \$(466,768.00). The remaining deficit of \$(23,490.22) is the result of the School District of expenditures in the food service fund exceeding revenues.

**Note 19: 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 Capital Reserve Account** - As of June 30, 2017, the balance in the capital reserve account is \$1.00. 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 \$18,929.00. 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).

**Capital Projects Fund** – On March 26, 2013 and March 17, 2015, the School District issued \$9,958,000.00 and \$11,907,000.00, respectively, of general obligation bonds pursuant to Chapter 24 of Title 18A of the New Jersey Statutes, as amended and supplemented ("School Bond Law"). The Bonds were authorized by a proposal adopted by the Board and approved by the voters of the School District at elections held November 4, 2012 and November 6, 2014, respectively. The bond issuance was approved by the voters for repairs and improvements at Woodstown High School, Woodstown Middle School, Mary S. Shoemaker Elementary and construction of a new Early Childhood Learning Center. As of June 30, 2017, the restricted fund balance amount was \$4,167,960.59.

**Note 19: FUND BALANCES (CONT'D)****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 \$212,304.00 of general fund balance at June 30, 2017.

**Other Purposes** - As of June 30, 2017, the School District had \$38,546.42 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, a deficit of \$(197,562.24) of general fund balance was unassigned.

**Special Revenue Fund** - As of June 30, 2017, the fund balance of the special revenue fund was a deficit of \$(3,300.00), 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 18, 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 \$(3,300.00) equal to the last state aid payment.

**Note 20: ARBITRAGE REBATE**

The Tax Reform Act of 1986 placed restriction on investments of the proceeds of certain tax-exempt bonds issued after December 31, 1986. Specifically, investment earnings which are above arbitrage bond yield are required to be rebated to the United States Treasury Department within sixty days of the end of the fifth bond year. A bond year is defined as ending on the anniversary date of bond settlement.

The School District has two bond issues outstanding as of June 30, 2017 that are subject to rebate calculations. Rebate calculations on these bonds are required to be made at least once every five years. The School District prepares rebate calculations for purposes of determining any contingent liability for rebate in accordance with the requirements. As of June 30, 2017, the School District has determined that no arbitrage rebate liability exists. The amount of contingent liability for rebate may change as a result of future events.



**Note 21: RESTATEMENT OF PRIOR PERIOD NET POSITION**

The School District reported incorrect amounts at June 30, 2016 for certain amounts related to its Public Employees Retirement System (PERS) Net Pension Liability and PERS Pension Deferral. As a result, a prior period adjustment was recorded to properly reflect correct amounts. The cumulative effect on the financial statements as reported for June 30, 2016 is as follows:

	<u>As Reported</u> <u>June 30, 2016</u>	<u>Prior Period</u> <u>Adjustment</u>	<u>As Restated</u> <u>June 30, 2016</u>
<u>Governmental Activities</u>			
Deferred Outflows of Resources	\$ 1,774,088.00	\$ (309,537.00)	\$ 1,464,551.00
Accounts Payable Related to Pensions	(312,055.00)	11,555.00	(300,500.00)
Noncurrent liabilities 2009 PERS Deferral	(20,392.00)	(36,783.00)	(57,175.00)
Net Position Unrestricted	(7,200,180.00)	(334,765.00)	(7,534,945.00)
Total Net Position	(1,979,835.25)	(334,765.00)	(2,314,600.25)
<u>Business-Type Activities</u>			
Deferred Outflows of Resources	112,067.00	(20,241.00)	91,826.00
Accounts Payable Related to Pensions	(19,547.00)	706.00	(18,841.00)
Net Position Unrestricted	(380,612.39)	(19,535.00)	(400,147.39)
Total Net Position	(337,169.39)	(19,535.00)	(356,704.39)

**REQUIRED SUPPLEMENTARY INFORMATION  
PART II**

**BUDGETARY COMPARISON SCHEDULES**

**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
 Required Supplementary Information  
 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)
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 10,602,367.00	\$ -	\$ 10,602,367.00	\$ 10,602,367.00	\$ -
Tuition From Other LEAs Within the State	4,090,788.00	-	4,090,788.00	4,136,599.21	45,811.21
Unrestricted Miscellaneous Revenues	513,590.00	-	513,590.00	542,292.90	28,702.90
<b>Total - Local Sources</b>	<b>15,206,745.00</b>	<b>-</b>	<b>15,206,745.00</b>	<b>15,281,259.11</b>	<b>74,514.11</b>
State Sources:					
Extraordinary Aid	190,000.00	-	190,000.00	209,062.00	19,062.00
Categorical Special Education Aid	689,961.00	-	689,961.00	689,961.00	-
Equalization Aid	5,523,895.00	-	5,523,895.00	5,523,895.00	-
Categorical Security Aid	140,608.00	-	140,608.00	140,608.00	-
Adjustment Aid	251,966.00	-	251,966.00	251,966.00	-
Categorical Transportation Aid	358,511.00	-	358,511.00	358,511.00	-
Under Adequacy Aid	13,257.00	-	13,257.00	13,257.00	-
PARCC Readiness Aid	11,620.00	-	11,620.00	11,620.00	-
Per Pupil Growth Aid	11,620.00	-	11,620.00	11,620.00	-
Professional Learning Community Aid	11,560.00	-	11,560.00	11,560.00	-
Non Public Transportation Aid	-	-	-	7,830.00	7,830.00
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)	-	-	-	984,704.00	984,704.00
Teacher's Pension & Annuity Fund (On-Behalf - Non-Budgeted)	-	-	-	1,140,474.00	1,140,474.00
TPAF Non-contributory Insurance (On-Behalf - Non-Budgeted)	-	-	-	41,322.00	41,322.00
Long-Term Disability Insurance (On-Behalf - Non-Budgeted)	-	-	-	2,647.00	2,647.00
Reimbursed TPAF Social Security (Non-Budgeted)	-	-	-	762,596.43	762,596.43
<b>Total State Sources</b>	<b>7,202,998.00</b>	<b>-</b>	<b>7,202,998.00</b>	<b>10,161,633.43</b>	<b>2,958,635.43</b>
Federal Sources:					
SEMI Medicaid Program	24,314.00	-	24,314.00	24,003.31	(310.69)
ARRA/SEMI Revenue	-	-	-	1,002.49	1,002.49
<b>Total - Federal Sources</b>	<b>24,314.00</b>	<b>-</b>	<b>24,314.00</b>	<b>25,005.80</b>	<b>691.80</b>
<b>Total Revenues</b>	<b>22,434,057.00</b>	<b>-</b>	<b>22,434,057.00</b>	<b>25,467,898.34</b>	<b>3,033,841.34</b>

(Continued)

**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	Original <u>Budget</u>	Budget <u>Amendments</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
<b>EXPENDITURES:</b>					
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	\$ 44,261.00	\$ (6,597.20)	\$ 37,663.80	\$ 37,324.76	\$ 339.04
Kindergarten - Salaries of Teachers	385,972.00	20,823.99	406,795.99	406,783.72	12.27
Grades 1-5 - Salaries of Teachers	1,852,866.00	(90,392.41)	1,762,473.59	1,761,128.31	1,345.28
Grades 6-8 - Salaries of Teachers	1,074,362.00	2,090.42	1,076,452.42	1,075,652.78	799.64
Grades 9-12 - Salaries of Teachers	3,171,512.00	24,180.73	3,195,692.73	3,187,217.57	8,475.16
Regular Programs - Home Instruction:					
Salaries of Teachers	19,000.00	(6,802.00)	12,198.00	10,137.45	2,060.55
Purchased Professional-Educational Services	3,000.00	3,500.00	6,500.00	2,590.00	3,910.00
Other Purchased Services (400-500 series)	525.00	-	525.00	131.56	393.44
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	37,826.00	(5,466.00)	32,360.00	32,340.00	20.00
Purchased Professional-Educational Services	5,100.00	(1,000.00)	4,100.00	2,560.00	1,540.00
Purchased Technical Services	30,052.00	(1,000.00)	29,052.00	27,663.89	1,388.11
Other Purchased Services (400-500 series)	196,000.00	(39,248.00)	156,752.00	149,014.46	7,737.54
General Supplies	269,771.00	(753.74)	269,017.26	230,644.27	38,372.99
Textbooks	57,617.82	(4,100.00)	53,517.82	48,258.14	5,259.68
Other Objects	6,610.00	285.00	6,895.00	1,885.95	5,009.05
<b>Total Regular Programs - Instruction</b>	<u>7,154,474.82</u>	<u>(104,479.21)</u>	<u>7,049,995.61</u>	<u>6,973,332.86</u>	<u>76,662.75</u>
Special Education - Instruction					
Behavioral Disabilities:					
Salaries of Teachers	50,300.00	-	50,300.00	50,300.00	-
Other Salaries for Instruction	117,724.00	16,848.96	134,572.96	127,124.00	7,448.96
<b>Total Behavioral Disabilities</b>	<u>168,024.00</u>	<u>16,848.96</u>	<u>184,872.96</u>	<u>177,424.00</u>	<u>7,448.96</u>
Multiple Disabilities:					
Salaries of Teachers	178,245.00	10,024.16	188,269.16	188,107.33	161.83
Other Salaries for Instruction	28,746.00	(21,263.62)	7,482.38	7,009.38	473.00
General Supplies	4,850.00	1,816.89	6,666.89	6,083.63	583.26
Textbooks	900.00	(776.56)	123.44	-	123.44
Other Objects	400.00	(25.00)	375.00	-	375.00
<b>Total Multiple Disabilities</b>	<u>213,141.00</u>	<u>(10,224.13)</u>	<u>202,916.87</u>	<u>201,200.34</u>	<u>1,716.53</u>

(Continued)

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Resource Room/Resource Center:					
Salaries of Teachers	\$ 1,487,123.00	\$ (20,424.33)	\$ 1,466,698.67	\$ 1,466,698.32	\$ 0.35
Other Salaries for Instruction	64,299.00	33,749.40	98,048.40	98,047.58	0.82
General Supplies	6,800.00	348.67	7,148.67	6,785.64	363.03
Textbooks	1,500.00	(765.80)	734.20	-	734.20
Total Resource Room/Resource Center	<u>1,559,722.00</u>	<u>12,907.94</u>	<u>1,572,629.94</u>	<u>1,571,531.54</u>	<u>1,098.40</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	41,109.00	4,539.02	45,648.02	45,647.20	0.82
Other Salaries for Instruction	25,739.00	1,654.35	27,393.35	25,139.73	2,253.62
General Supplies	1,800.00	-	1,800.00	1,238.17	561.83
Total Preschool Disabilities - Part-Time	<u>68,648.00</u>	<u>6,193.37</u>	<u>74,841.37</u>	<u>72,025.10</u>	<u>2,816.27</u>
Home Instruction:					
Purchased Professional-Educational Services	3,850.00	(2,081.00)	1,769.00	1,519.00	250.00
Total Home Instruction	<u>3,850.00</u>	<u>(2,081.00)</u>	<u>1,769.00</u>	<u>1,519.00</u>	<u>250.00</u>
Total Special Education - Instruction	<u>2,013,385.00</u>	<u>23,645.14</u>	<u>2,037,030.14</u>	<u>2,023,699.98</u>	<u>13,330.16</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	349,658.00	(23,628.76)	326,029.24	326,027.51	1.73
General Supplies	10,103.00	2,210.00	12,313.00	12,285.17	27.83
Total Basic Skills/Remedial - Instruction	<u>359,761.00</u>	<u>(21,418.76)</u>	<u>338,342.24</u>	<u>338,312.68</u>	<u>29.56</u>
Bilingual Education - Instruction:					
Salaries of Teachers	4,000.00	1,472.00	5,472.00	5,400.00	72.00
General Supplies	250.00	78.00	328.00	173.19	154.81
Total Bilingual Education - Instruction	<u>4,250.00</u>	<u>1,550.00</u>	<u>5,800.00</u>	<u>5,573.19</u>	<u>226.81</u>
School-Spon. Cocurricular Actvts. - Inst.:					
Salaries	76,000.00	5,952.00	81,952.00	77,828.00	4,124.00
Purchased Services (300-500 series)	3,500.00	(100.00)	3,400.00	2,941.00	459.00
Supplies and Materials	750.00	100.00	850.00	807.50	42.50
Total School-Spon. Cocurricular Actvts. - Inst.	<u>80,250.00</u>	<u>5,952.00</u>	<u>86,202.00</u>	<u>81,576.50</u>	<u>4,625.50</u>

(Continued)

**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
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 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
School-Spon. Cocurricular Athletics - Inst.:					
Salaries	\$ 311,518.00	\$ 8,200.00	\$ 319,718.00	\$ 312,673.00	\$ 7,045.00
Purchased Services (300-500 series)	72,800.00	1,640.00	74,440.00	74,409.39	30.61
Supplies and Materials	40,000.00	1,475.21	41,475.21	41,433.01	42.20
Other Objects	8,650.00	(1,703.21)	6,946.79	6,861.50	85.29
Total School-Spon. Cocurricular Athletics - Inst.	<u>432,968.00</u>	<u>9,612.00</u>	<u>442,580.00</u>	<u>435,376.90</u>	<u>7,203.10</u>
Total Instruction	<u>10,045,088.82</u>	<u>(85,138.83)</u>	<u>9,959,949.99</u>	<u>9,857,872.11</u>	<u>102,077.88</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	9,476.00	(9,000.00)	476.00	0.20	475.80
Tuition to Other LEAs Within the State - Special	-	20,866.00	20,866.00	20,771.00	95.00
Tuition to Vocational School Districts - Regular	153,548.00	6,127.00	159,675.00	150,776.59	8,898.41
Tuition to CSSD & Regional Day Schools	411,709.00	111,660.00	523,369.00	523,368.42	0.58
Tuition to Private Schools for the Disabled - Within State	154,014.00	(48,747.00)	105,267.00	105,226.40	40.60
Tuition to Private Schools for the Disabled & Other LEA - Spl,O/S St	27,801.00	-	27,801.00	27,800.00	1.00
Tuition - State Facilities	17,699.00	-	17,699.00	17,699.00	-
Total Undistributed Expenditures - Instruction:	<u>774,247.00</u>	<u>80,906.00</u>	<u>855,153.00</u>	<u>845,641.61</u>	<u>9,511.39</u>
Attendance and Social Work Services:					
Purchased Professional and Technical Services	600.00	7,200.00	7,800.00	7,800.00	-
Total Attendance and Social Work Services	<u>600.00</u>	<u>7,200.00</u>	<u>7,800.00</u>	<u>7,800.00</u>	<u>-</u>
Health Services:					
Salaries	268,612.00	(10,375.81)	258,236.19	257,892.48	343.71
Purchased Professional and Technical Services	21,024.00	-	21,024.00	21,024.00	-
Other Purchased Services (400-500 series)	400.00	(29.59)	370.41	155.13	215.28
Supplies and Materials	3,550.00	30.20	3,580.20	2,391.37	1,188.83
Other Objects	100.00	-	100.00	-	100.00
Total Health Services	<u>293,686.00</u>	<u>(10,375.20)</u>	<u>283,310.80</u>	<u>281,462.98</u>	<u>1,847.82</u>

(Continued)

**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
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 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Speech, OT, PT and Related Services:					
Salaries	\$ 104,039.00	\$ (17,876.50)	\$ 86,162.50	\$ 85,518.14	\$ 644.36
Purchased Professional - Educational Services	122,062.00	59,649.00	181,711.00	179,153.75	2,557.25
Supplies and Materials	4,000.00	-	4,000.00	2,109.21	1,890.79
<b>Total Speech, OT, PT and Related Services</b>	<b>230,101.00</b>	<b>41,772.50</b>	<b>271,873.50</b>	<b>266,781.10</b>	<b>5,092.40</b>
Special Education - Extraordinary Services:					
Salaries	141,597.00	62,323.60	203,920.60	193,923.65	9,996.95
Purchased Professional - Educational Services	2,000.00	-	2,000.00	799.96	1,200.04
<b>Total Special Education - Extraordinary Services</b>	<b>143,597.00</b>	<b>62,323.60</b>	<b>205,920.60</b>	<b>194,723.61</b>	<b>11,196.99</b>
Guidance:					
Salaries of Other Professional Staff	424,505.00	94,639.03	519,144.03	518,531.11	612.92
Salaries of Secretarial and Clerical Assistants	38,544.00	-	38,544.00	38,544.00	-
Other Purchased Prof. and Tech. Services	12,640.00	(3,585.00)	9,055.00	8,321.40	733.60
Other Purchased Services (400-500 series)	600.00	-	600.00	149.00	451.00
Supplies and Materials	18,114.00	(1,130.50)	16,983.50	15,593.54	1,389.96
Other Objects	450.00	241.50	691.50	681.50	10.00
<b>Total Guidance</b>	<b>494,853.00</b>	<b>90,165.03</b>	<b>585,018.03</b>	<b>581,820.55</b>	<b>3,197.48</b>
Child Study Teams:					
Salaries of Other Professional Staff	243,829.00	1,012.15	244,841.15	244,841.15	-
Salaries of Secretarial and Clerical Assistants	46,544.00	360.92	46,904.92	46,904.00	0.92
Purh. Prof. - Educational Services	1,518.00	-	1,518.00	1,218.00	300.00
Other Purchased Prof. and Tech. Services	14,000.00	(1,250.00)	12,750.00	12,477.00	273.00
Mis. Purchase Serv. (400-500 series other than Residential Costs)	1,200.00	-	1,200.00	1,121.56	78.44
Supplies and Materials	9,200.00	(3,752.00)	5,448.00	5,447.49	0.51
Other Objects	3,800.00	(2,200.00)	1,600.00	1,554.99	45.01
<b>Total Child Study Teams</b>	<b>320,091.00</b>	<b>(5,828.93)</b>	<b>314,262.07</b>	<b>313,564.19</b>	<b>697.88</b>

(Continued)



**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
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 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>Improvement of Instructional Services:</b>					
Salaries of Supervisor of Instruction	\$ 112,695.00	\$ 0.12	\$ 112,695.12	\$ 112,695.00	\$ 0.12
Salaries of Secretarial and Clerical Assistants	100,874.00	-	100,874.00	100,874.00	-
Other Salaries	-	3,840.00	3,840.00	-	3,840.00
Supplies and Materials	1,500.00	135.00	1,635.00	1,577.96	57.04
<b>Total Improvement of Instructional Services</b>	<b>215,069.00</b>	<b>3,975.12</b>	<b>219,044.12</b>	<b>215,146.96</b>	<b>3,897.16</b>
<b>Educational Media Services - School Library:</b>					
Salaries	190,141.00	(7,285.00)	182,856.00	182,602.68	253.32
Salaries of Technology Coordinators	110,455.00	1,000.00	111,455.00	110,455.00	1,000.00
Purchased Professional and Technical Services	10,722.00	(2,897.00)	7,825.00	7,461.20	363.80
Supplies and Materials	4,750.00	1,495.00	6,245.00	4,828.69	1,416.31
Other Objects	150.00	-	150.00	-	150.00
<b>Total Educational Media Services - School Library</b>	<b>316,218.00</b>	<b>(7,687.00)</b>	<b>308,531.00</b>	<b>305,347.57</b>	<b>3,183.43</b>
<b>Instructional Staff Training Services:</b>					
Salaries of Other Professional Staff	48,320.00	8,625.00	56,945.00	56,708.30	236.70
Purchased Professional - Educational Services	15,500.00	(10,475.00)	5,025.00	3,618.33	1,406.67
Other Purchased Services (400-500 series)	1,500.00	1,550.00	3,050.00	3,032.44	17.56
Supplies and Materials	2,500.00	(2,400.00)	100.00	-	100.00
<b>Total Instructional Staff Training Services</b>	<b>67,820.00</b>	<b>(2,700.00)</b>	<b>65,120.00</b>	<b>63,359.07</b>	<b>1,760.93</b>
<b>Support Services - General Administration:</b>					
Salaries	231,924.00	-	231,924.00	231,711.96	212.04
Unused Vacation Payment to Termin/Retired Staff	-	12,116.00	12,116.00	12,115.40	0.60
Legal Services	17,000.00	34,746.66	51,746.66	51,665.05	81.61
Audit Fees	27,350.00	(2,000.00)	25,350.00	25,350.00	-
Architectural/Engineering Services	10,000.00	(9,816.73)	183.27	-	183.27
Other Purchased Professional Services	31,900.00	15,428.07	47,328.07	44,437.87	2,890.20
Communications/Telephone	128,100.00	10,989.56	139,089.56	135,603.59	3,485.97
BOE Other Purchased Services	5,000.00	(1,500.00)	3,500.00	1,934.34	1,565.66
Other Purchased Services (400-500 series)	17,000.00	70,906.44	87,906.44	86,466.77	1,439.67
General Supplies	11,000.00	(509.00)	10,491.00	7,632.91	2,858.09
Miscellaneous Expenditures	9,000.00	800.00	9,800.00	9,707.70	92.30
BOE Membership Dues and Fees	12,000.00	(1,200.00)	10,800.00	10,710.85	89.15
<b>Total Support Services - General Administration</b>	<b>500,274.00</b>	<b>129,961.00</b>	<b>630,235.00</b>	<b>617,336.44</b>	<b>12,898.56</b>

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**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
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 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>Support Services - School Administration:</b>					
Salaries of Principals/Assistant Principals	\$ 470,216.00	\$ 3,660.80	\$ 473,876.80	\$ 473,874.96	\$ 1.84
Salaries of Other Professional Staff	321,994.00	1.08	321,995.08	321,994.00	1.08
Salaries of Secretarial and Clerical Assistants	384,867.00	(1,240.94)	383,626.06	380,056.47	3,569.59
Purchased Professional and Technical Services	81,642.48	(19,500.00)	62,142.48	44,468.15	17,674.33
Other Purchased Services (400-500 series)	28,771.00	(15,647.00)	13,124.00	10,048.41	3,075.59
Supplies and Materials	16,200.00	(6,005.00)	10,195.00	5,845.74	4,349.26
Other Objects	39,200.00	(10,076.00)	29,124.00	20,360.68	8,763.32
<b>Total Support Services - School Administration</b>	<b>1,342,890.48</b>	<b>(48,807.06)</b>	<b>1,294,083.42</b>	<b>1,256,648.41</b>	<b>37,435.01</b>
<b>Undistributed Expenditures - Central Services:</b>					
Salaries	322,564.00	(9,999.92)	312,564.08	300,290.50	12,273.58
Unused Vacation Payment to Termin/Retired Staff	-	6,047.00	6,047.00	6,046.95	0.05
Purchased Professional Services	-	11,650.00	11,650.00	10,750.00	900.00
Misc. Purch. Services (400-500 Series)	110,800.00	10,900.00	121,700.00	98,856.52	22,843.48
Supplies and Materials	5,000.00	3,828.00	8,828.00	7,896.15	931.85
Miscellaneous Expenditures	2,200.00	(1,100.00)	1,100.00	1,099.00	1.00
<b>Total Undist. Expend. - Central Services</b>	<b>440,564.00</b>	<b>21,325.08</b>	<b>461,889.08</b>	<b>424,939.12</b>	<b>36,949.96</b>
<b>Undistributed Expenditures - Admin. Info. Tech.:</b>					
Salaries	58,523.00	1,655.00	60,178.00	57,521.75	2,656.25
Purchased Professional Services	-	18,000.00	18,000.00	13,000.00	5,000.00
Supplies and Materials	-	16,000.00	16,000.00	15,899.99	100.01
<b>Total Undist. Expend. - Admin. Info. Tech.</b>	<b>58,523.00</b>	<b>35,655.00</b>	<b>94,178.00</b>	<b>86,421.74</b>	<b>7,756.26</b>
<b>Undist. Expend. -Required Maintenance for School Facilities:</b>					
Salaries	52,281.00	-	52,281.00	52,280.13	0.87
Cleaning, Repair, and Maintenance Services	80,400.00	(55,424.00)	24,976.00	24,475.04	500.96
General Supplies	44,900.00	(35,500.00)	9,400.00	9,225.52	174.48
<b>Total Undist. Expend. -Required Maintenance for School Facilities</b>	<b>177,581.00</b>	<b>(90,924.00)</b>	<b>86,657.00</b>	<b>85,980.69</b>	<b>676.31</b>

(Continued)

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
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 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>Custodial Services:</b>					
Salaries	\$ 634,463.00	\$ 108,030.00	\$ 742,493.00	\$ 741,817.35	\$ 675.65
Purchased Professional and Technical Services	15,000.00	(5,990.00)	9,010.00	2,585.00	6,425.00
Cleaning, Repair and Maintenance Services	37,000.00	(13,565.00)	23,435.00	19,409.37	4,025.63
Rental of Land/Bldgs other than Lease Purchase	10,000.00	668.00	10,668.00	10,667.02	0.98
Other Purchased Property Services	41,900.00	20,992.50	62,892.50	60,584.28	2,308.22
Insurance	149,000.00	-	149,000.00	147,500.00	1,500.00
Miscellaneous Purchased Services	-	4.00	4.00	4.00	-
General Supplies	111,000.00	11,056.00	122,056.00	117,511.42	4,544.58
Energy - Natural Gas	120,000.00	(40,637.50)	79,362.50	70,114.96	9,247.54
Energy - Electricity	300,800.00	-	300,800.00	292,192.80	8,607.20
Energy - Oil	4,800.00	(2,500.00)	2,300.00	1,100.30	1,199.70
Energy - Gasoline	-	5,000.00	5,000.00	2,587.09	2,412.91
Other Objects	500.00	-	500.00	498.00	2.00
<b>Total Custodial Services</b>	<b>1,424,463.00</b>	<b>83,058.00</b>	<b>1,507,521.00</b>	<b>1,466,571.59</b>	<b>40,949.41</b>
<b>Care and Upkeep of Grounds:</b>					
Salaries	91,521.00	1,193.12	92,714.12	92,713.45	0.67
Cleaning, Repair and Maintenance Services	14,000.00	2,500.00	16,500.00	16,425.00	75.00
General Supplies	6,000.00	(2,500.00)	3,500.00	3,444.81	55.19
<b>Total Care and Upkeep of Grounds</b>	<b>111,521.00</b>	<b>1,193.12</b>	<b>112,714.12</b>	<b>112,583.26</b>	<b>130.86</b>
<b>Security:</b>					
Purchased Professional and Technical Services	154,065.00	9,439.00	163,504.00	163,503.67	0.33
General Supplies	20,742.00	-	20,742.00	-	20,742.00
<b>Total Security</b>	<b>174,807.00</b>	<b>9,439.00</b>	<b>184,246.00</b>	<b>163,503.67</b>	<b>20,742.33</b>
<b>Total Undist. Expend. - Oper. &amp; Maint. Of Plant</b>	<b>1,888,372.00</b>	<b>2,766.12</b>	<b>1,891,138.12</b>	<b>1,828,639.21</b>	<b>62,498.91</b>

(Continued)

**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
<b>Student Transportation Services:</b>					
Salaries - Between Home & School - Regular	\$ 38,597.00	\$ -	\$ 38,597.00	\$ 38,593.62	\$ 3.38
Contr Serv - Aid in Lieu of Payments - Nonpublic	47,023.00	(9,680.00)	37,343.00	32,987.88	4,355.12
Contr Serv - Aid in Lieu of Payments - Choice Schl	-	5,680.00	5,680.00	5,214.52	465.48
Contract Serv (Bet. Home & School)-Vendors	388,325.00	(13,547.00)	374,778.00	367,715.23	7,062.77
Contract Services (Other than Between Home & School)-Vendors	132,090.00	11,419.80	143,509.80	133,854.56	9,655.24
Contract Services (Between Home and Sch) - Joint Agrmts	30,579.00	(10,000.00)	20,579.00	20,458.42	120.58
Contract Services (Special Ed) - Vendors	20,412.00	17,163.36	37,575.36	30,737.92	6,837.44
Contract Services (Special Ed) - Joint Agreements	20,270.00	6,944.80	27,214.80	27,214.80	-
Contr Serv (Reg. Students)-ESCs	65,209.00	(22,500.00)	42,709.00	34,652.49	8,056.51
Contr Serv (Spl. Ed. Students)-ESCs	315,337.00	(87,442.16)	227,894.84	175,877.97	52,016.87
<b>Total Student Transportation Services</b>	<b>1,057,842.00</b>	<b>(101,961.20)</b>	<b>955,880.80</b>	<b>867,307.41</b>	<b>88,573.39</b>
<b>Unallocated Benefits:</b>					
Social Security Contributions	310,000.00	-	310,000.00	315,096.94	(5,096.94)
Other Retirement Contributions - PERS	300,000.00	27,000.00	327,000.00	325,666.65	1,333.35
Other Retirement Contributions - Deferred PERS	12,000.00	(12,000.00)	-	-	-
Unemployment Compensation	10,000.00	(10,000.00)	-	-	-
Workmen's Compensation	195,000.00	(7,300.00)	187,700.00	187,676.46	23.54
Health Benefits	3,584,917.00	(255,967.86)	3,328,949.14	3,328,328.81	620.33
Tuition Reimbursement	42,500.00	(78.00)	42,422.00	39,663.84	2,758.16
Other Employee Benefits	30,000.00	37,794.63	67,794.63	91,782.70	(23,988.07)
<b>Total Unallocated Benefits</b>	<b>4,484,417.00</b>	<b>(220,551.23)</b>	<b>4,263,865.77</b>	<b>4,288,215.40</b>	<b>(24,349.63)</b>
<b>On-Behalf Contributions:</b>					
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)	-	-	-	984,704.00	(984,704.00)
Teacher's Pension & Annuity Fund (On-Behalf - Non-Budgeted)	-	-	-	1,140,474.00	(1,140,474.00)
TPAF Non-contributory Insurance (On-Behalf - Non-Budgeted)	-	-	-	41,322.00	(41,322.00)
Long-Term Disability Insurance (On-Behalf - Non-Budgeted)	-	-	-	2,647.00	(2,647.00)
Reimbursed TPAF Social Security (Non-Budgeted)	-	-	-	762,596.43	(762,596.43)
<b>Total On-Behalf Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,931,743.43</b>	<b>(2,931,743.43)</b>
<b>Total Personal Services - Employee Benefits</b>	<b>4,484,417.00</b>	<b>(220,551.23)</b>	<b>4,263,865.77</b>	<b>7,219,958.83</b>	<b>(2,956,093.06)</b>
<b>Total Undistributed Expenditures</b>	<b>12,629,164.48</b>	<b>78,138.83</b>	<b>12,707,303.31</b>	<b>15,376,898.80</b>	<b>(2,669,595.49)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>22,674,253.30</b>	<b>(7,000.00)</b>	<b>22,667,253.30</b>	<b>25,234,770.91</b>	<b>(2,567,517.61)</b>

(Continued)

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Amendments	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
CAPITAL OUTLAY					
Equipment:					
Admin. Info. Technology	\$ -	\$ 7,000.00	\$ 7,000.00	\$ 5,689.62	\$ 1,310.38
Total Equipment	-	7,000.00	7,000.00	5,689.62	1,310.38
Facilities Acquisition and Construction Services					
Assessment for Debt Service on SDA Funding	6,294.00	-	6,294.00	6,294.00	-
Total Facilities Acquisition and Construction Services	6,294.00	-	6,294.00	6,294.00	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>6,294.00</b>	<b>7,000.00</b>	<b>13,294.00</b>	<b>11,983.62</b>	<b>1,310.38</b>
<b>TOTAL EXPENDITURES</b>	<b>22,680,547.30</b>	<b>0.00</b>	<b>22,680,547.30</b>	<b>25,246,754.53</b>	<b>(2,566,207.23)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(246,490.30)	(0.00)	(246,490.30)	221,143.81	467,634.11
Fund Balance, July 1	519,569.37	-	519,569.37	519,569.37	-
Fund Balance, June 30	<u>\$ 273,079.07</u>	<u>\$ (0.00)</u>	<u>\$ 273,079.07</u>	<u>\$ 740,713.18</u>	<u>\$ 467,634.11</u>
<b>Recapitulation:</b>					
Fund Balances:					
Restricted:					
Capital Reserve				\$ 1.00	
Maintenance Reserve				18,929.00	
Assigned:					
Designated for Subsequent Year's Expenditures				200,000.00	
Designated for Subsequent Year's Expenditures July 1, 2017 - August 1, 2017				12,304.00	
Other Purposes				38,546.42	
Unassigned				<u>470,932.76</u>	
				<u>740,713.18</u>	
Reconciliation to Governmental Funds Statements(GAAP):					
June State Aid Payments not recognized on GAAP Basis				<u>(668,495.00)</u>	
				<u>\$ 72,218.18</u>	

**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**

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

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
State Sources:					
Preschool Education	\$ 33,000.00	\$ -	\$ 33,000.00	\$ 33,000.00	\$ -
Local Sources	-	29,255.99	29,255.99	29,255.99	-
Federal Sources:					
Title I	155,333.00	76,944.00	232,277.00	196,196.95	36,080.05
Title II	31,800.00	(666.00)	31,134.00	31,134.00	-
I.D.E.A., Part B, Basic	318,532.00	(2,518.00)	316,014.00	316,014.00	-
I.D.E.A., Part B, Preschool	-	4,615.00	4,615.00	4,615.00	-
Race to the Top	-	2,976.00	2,976.00	2,976.00	-
Carl Perkins	-	8,703.00	8,703.00	8,256.30	446.70
Total - Federal Sources	505,665.00	90,054.00	595,719.00	559,192.25	36,526.75
Total Revenues	538,665.00	119,309.99	657,974.99	621,448.24	36,526.75
EXPENDITURES:					
Instruction:					
Salaries of Teachers	220,133.00	(3,260.00)	216,873.00	202,132.65	14,740.35
Purchased Professional and Technical Services	-	3,296.70	3,296.70	2,850.00	446.70
Other Purchased Services (400-500 series)	318,532.00	458.00	318,990.00	318,990.00	-
Supplies and Materials	-	26,084.64	26,084.64	26,084.64	-
General Supplies	-	818.63	818.63	311.97	506.66
Other Objects	-	2,903.00	2,903.00	979.00	1,924.00
Total Instruction	538,665.00	30,300.97	568,965.97	551,348.26	17,617.71
Support Services:					
Other Salaries	-	11,048.00	11,048.00	7,873.06	3,174.94
Personal Services - Employee Benefits	-	25,641.00	25,641.00	15,756.00	9,885.00
Purchased Professional and Technical Services	-	1,524.00	1,524.00	1,524.00	-
Purchased Professional - Educational Services	-	28,944.02	28,944.02	28,944.02	-
Other Purchased Services (400-500 series)	-	13,412.00	13,412.00	8,909.28	4,502.72
Supplies and Material	-	8,440.00	8,440.00	7,093.62	1,346.38
Total Support Services	-	89,009.02	89,009.02	70,099.98	18,909.04
Total Expenditures	538,665.00	119,309.99	657,974.99	621,448.24	36,526.75
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**

Required Supplementary Information  
Budgetary Comparison Schedule  
Note to RSI - Part II  
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	\$ 25,467,898.34	\$ 621,448.24
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		(25,743.50)
Prior Year		14,949.76
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)	677,118.00	3,300.00
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>(668,495.00)</u>	<u>(3,300.00)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u><u>\$ 25,476,521.34</u></u>	<u><u>\$ 610,654.50</u></u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 25,246,754.53	\$ 621,448.24
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		(25,743.50)
Prior Year		14,949.76
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u><u>\$ 25,246,754.53</u></u>	<u><u>\$ 610,654.50</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION  
PART III**



**WOODSTOWN-PIESGROVE REGIONAL 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	0.0359462105%	0.0355214300%	0.0352776700%	0.0341259400%
School District's Proportionate Share of the Net Pension Liability	\$ 10,646,237.00	\$ 7,973,848.00	\$ 6,604,944.00	\$ 6,522,145.00
School District's Covered Payroll (Plan Measurement Period)	\$ 2,621,008.00	\$ 2,289,240.00	\$ 2,416,804.00	\$ 2,416,804.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	406.19%	348.32%	273.29%	269.87%
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.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Contributions  
 Public Employees' Retirement System (PERS)  
 Last Four Fiscal Years

	<b>Fiscal Year Ended June 30,</b>			
	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
Contractually Required Contribution	\$ 299,651.00	\$ 319,341.00	\$ 305,389.00	\$ 290,824.00
Contributions in Relation to the Contractually Required Contribution	<u>(299,651.00)</u>	<u>(319,341.00)</u>	<u>(305,389.00)</u>	<u>(290,824.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll (Fiscal Year)	\$ 2,112,493.00	\$ 2,288,240.00	\$ 2,416,804.00	\$ 2,416,804.00
Contributions as a Percentage of School District's Covered Payroll	14.18%	13.96%	12.64%	12.03%

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.

**WOODSTOWN-PIESGROVE REGIONAL 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

	<b>Measurement Date Ending June 30,</b>			
	<u><b>2016</b></u>	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></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>81,439,155.00</u>	<u>65,917,965.00</u>	<u>55,651,903.00</u>	<u>51,891,559.00</u>
	<u>\$ 81,439,155.00</u>	<u>\$ 65,917,965.00</u>	<u>\$ 55,651,903.00</u>	<u>\$ 51,891,559.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 12,614,432.00	\$ 10,655,366.00	\$ 10,735,863.00	\$ 10,735,863.00
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	645.60%	618.64%	518.37%	483.35%
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.

**WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT**  
Required Supplementary Information  
Schedule of the School District's Contributions  
Teachers' Pension and Annuity Fund (TPAF)  
Last Ten Fiscal Years

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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.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Notes to Required Supplementary Information - Part III  
For the Fiscal Year Ended June 30, 2017

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**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**

**SPECIAL REVENUE FUND**

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2017

	<u>Total</u>	<u>N.C.L.B.</u>		<u>I.D.E.A.</u>		<u>Total Brought Forward</u>
		<u>Title I</u>	<u>Title II</u>	<u>Basic</u>	<u>Preschool</u>	
<b>REVENUES:</b>						
Federal Sources	\$ 559,192.25	\$ 196,196.95	\$ 31,134.00	\$ 316,014.00	\$ 4,615.00	\$ 11,232.30
State Sources	33,000.00					33,000.00
Local Sources	29,255.99					29,255.99
<b>Total Revenues</b>	<b>621,448.24</b>	<b>196,196.95</b>	<b>31,134.00</b>	<b>316,014.00</b>	<b>4,615.00</b>	<b>73,488.29</b>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of Teachers	202,132.65	141,923.65	24,709.00		2,500.00	33,000.00
Purchased Professional and Technical Services	2,850.00	2,850.00				-
Other Purchased Services (400-500 series)	318,990.00			316,014.00		2,976.00
Supplies and Material	26,084.64	17,428.34			400.00	8,256.30
General Supplies	311.97					311.97
Other Objects	979.00	979.00				-
<b>Total Instruction</b>	<b>551,348.26</b>	<b>163,180.99</b>	<b>24,709.00</b>	<b>316,014.00</b>	<b>2,900.00</b>	<b>44,544.27</b>
Support Services:						
Other Salaries	7,873.06	7,873.06				-
Personal Services - Employee Benefits	15,756.00	9,140.00	6,425.00		191.00	-
Purchased Professional and Technical Services	1,524.00				1,524.00	-
Purchased Professional - Educational Services	28,944.02					28,944.02
Other Purchased Services (400-500 series)	8,909.28	8,909.28				-
Supplies and Material	7,093.62	7,093.62				-
<b>Total Support Services</b>	<b>70,099.98</b>	<b>33,015.96</b>	<b>6,425.00</b>	<b>-</b>	<b>1,715.00</b>	<b>28,944.02</b>
<b>Total Expenditures</b>	<b>621,448.24</b>	<b>196,196.95</b>	<b>31,134.00</b>	<b>316,014.00</b>	<b>4,615.00</b>	<b>73,488.29</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)



**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2017

	Total Carried Forward	Race To The Top	Carl Perkins	Annual Safety Grant	Natl Discovery Area	NJ Preschool Education
<b>REVENUES:</b>						
Federal Sources	\$ 11,232.30	\$ 2,976.00	\$ 8,256.30			
State Sources	33,000.00					\$ 33,000.00
Local Sources	29,255.99			\$ 28,944.02	\$ 311.97	
<b>Total Revenues</b>	<u>73,488.29</u>	<u>2,976.00</u>	<u>8,256.30</u>	<u>28,944.02</u>	<u>311.97</u>	<u>33,000.00</u>
<b>EXPENDITURES:</b>						
<b>Instruction:</b>						
Salaries of Teachers	33,000.00					33,000.00
Purchased Professional and Technical Services	-					
Other Purchased Services (400-500 series)	2,976.00	2,976.00				
Supplies and Material	8,256.30		8,256.30			
General Supplies	311.97				311.97	
Other Objects	-					
<b>Total Instruction</b>	<u>44,544.27</u>	<u>2,976.00</u>	<u>8,256.30</u>	<u>-</u>	<u>311.97</u>	<u>33,000.00</u>
<b>Support Services:</b>						
Other Salaries	-					
Personal Services - Employee Benefits	-					
Purchased Professional and Technical Services	-					
Purchased Professional - Educational Services	28,944.02			28,944.02		
Other Purchased Services (400-500 series)	-					
Supplies and Material	-					
<b>Total Support Services</b>	<u>28,944.02</u>	<u>-</u>	<u>-</u>	<u>28,944.02</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>73,488.29</u>	<u>2,976.00</u>	<u>8,256.30</u>	<u>28,944.02</u>	<u>311.97</u>	<u>33,000.00</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Instruction:					
Salaries of Teachers	\$ 33,000.00	\$ -	\$ 33,000.00	\$ 33,000.00	\$ -
Total Instruction	33,000.00	-	33,000.00	33,000.00	-
Total Expenditures	<u>\$ 33,000.00</u>	<u>\$ -</u>	<u>\$ 33,000.00</u>	<u>\$ 33,000.00</u>	<u>\$ -</u>

Calculation of Budget and Carryover

Total 2016-2017 Preschool Education Aid Allocation	\$ 33,000.00
Add: Actual Preschool Education Aid/ECPA Aid Carryover June 30, 2016	-
Add: Budgeted transfer from the General Fund 2016-17	-
	<u>33,000.00</u>
Total Preschool Education Aid Funds Available for 2016-17 Budget	33,000.00
Less: 2016-17 Budgeted Preschool Education Aid (Prior Year Budgeted Carryover)	<u>33,000.00</u>
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	<u>\$ -</u>
2016-17 Preschool Education Aid Carryover Budgeted for Preschool Programs 2017-18	<u>\$ -</u>

**CAPITAL PROJECTS FUND**

## WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT

## Capital Projects Fund

## Summary Schedule of Project Expenditures

For the Fiscal Year Ended June 30, 2017

Project Title	Approval Date	Appropriations	Expenditures to Date			Unexpended Balance June 30, 2017	
			Prior Years	Project Transfers / Adjustments	Current Year		
5910-050-12-1000 Woodstown High School/Middle School New Multi-Purpose Room & Renovate Science Rooms	11/6/2012	\$ 6,177,558.00	\$ 5,707,521.00	\$ 443,054.25	\$ -	\$ 26,982.75	
5910-N03-12-1000 Woodstown New Early Childhood Center	11/6/2012	3,781,100.00	4,159,050.00	(377,950.00)	-	-	
5910-060-14-1002 Woodstown High School - HVAC, Vertical Movement, Electrical, Plumbing	11/4/2014	17,876,998.00	3,408,852.82	(65,104.25)	8,203,965.58	6,329,283.85	
5910-060-14-1002 Mary S. Shoemaker Elementary School - HVAC, Vertical Movement, Electrical, Plumbing	11/4/2014	1,968,750.00	1,045,395.10	-	394,411.90	528,943.00	
			\$ 29,804,406.00	\$ 14,320,818.92	\$ -	\$ 8,598,377.48	\$ 6,885,209.60

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Capital Projects Fund  
 Statement of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2017

<b>REVENUES:</b>	
State Sources - SCC Grant	\$ -
Bond Proceeds	-
Transfer from Capital Outlay	-
	-
Total Revenues	-
 <b>EXPENDITURES:</b>	
Other Purchased Professional & Technical Services	296,301.73
Construction Services	8,301,185.75
Other Object	890.00
	8,598,377.48
Total Expenditures	8,598,377.48
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,598,377.48)
Fund Balance - July 1	15,483,587.08
Fund Balance - June 30	\$ 6,885,209.60
 <b>Reconciliation to Governmental Fund Statements (GAAP):</b>	
Fund Balance - June 30	\$ 6,885,209.60
State Sources - SCC Grant not recognized on GAAP basis	(2,717,249.01)
Fund Balance per Governmental Funds (GAAP)	\$ 4,167,960.59

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Woodstown High School/Middle School New Multi-Purpose Room & Renovate Science Rooms  
 From Inception and for the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ -	\$ -	\$ -	\$ -
Bond Proceeds	5,798,950.00	-	5,798,950.00	5,798,950.00
Transfer from Capital Outlay	658.00	-	658.00	658.00
Total Revenues	<u>5,799,608.00</u>	<u>-</u>	<u>5,799,608.00</u>	<u>5,799,608.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional & Technical Services	568,258.00	-	568,258.00	568,258.00
Construction Services	5,186,812.25	-	5,186,812.25	5,213,795.00
Other Object	17,555.00	-	17,555.00	17,555.00
Total Expenditures	<u>5,772,625.25</u>	<u>-</u>	<u>5,772,625.25</u>	<u>5,799,608.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 26,982.75</u>	<u>\$ -</u>	<u>\$ 26,982.75</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	5910-050-12-1000
Project Number SDA	N/A
Grant Date	N/A
Bond Authorization Date	11/6/2012
Bonds Authorized	\$ 6,176,900.00
Bonds Issued	\$ 6,176,900.00
Original Authorized Cost	\$ 6,177,558.00
Additional Authorized Cost	\$ (377,950.00)
Revised Authorized Cost	\$ 5,799,608.00
Percentage Increase over Original Authorized Cost	-6.12%
Percentage Completion	99.53%
Original Target Completion Date	6/30/2016
Revised Target Completion Date	N/A

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Woodstown New Early Childhood Center  
 From Inception and for the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ -	\$ -	\$ -	\$ -
Bond Proceeds	4,159,050.00	-	4,159,050.00	4,159,050.00
Transfer from Capital Outlay	-	-	-	-
Total Revenues	<u>4,159,050.00</u>	<u>-</u>	<u>4,159,050.00</u>	<u>4,159,050.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional & Technical Services	630,946.00	-	630,946.00	630,946.00
Construction Services	3,474,190.00	-	3,474,190.00	3,474,190.00
Other Object	53,914.00	-	53,914.00	53,914.00
Total Expenditures	<u>4,159,050.00</u>	<u>-</u>	<u>4,159,050.00</u>	<u>4,159,050.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	5910-N03-12-1000
Project Number SDA	N/A
Grant Date	N/A
Bond Authorization Date	11/6/2012
Bonds Authorized	\$ 3,781,100.00
Bonds Issued	\$ 3,781,100.00
Original Authorized Cost	\$ 3,781,100.00
Additional Authorized Cost	\$ 377,950.00
Revised Authorized Cost	\$ 4,159,050.00
Percentage Increase over Original Authorized Cost	10.00%
Percentage Completion	100.00%
Original Target Completion Date	6/30/2016
Revised Target Completion Date	N/A

**WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Woodstown High School - HVAC, Vertical Movement, Electrical, Plumbing  
 From Inception and for the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 7,150,799.00	\$ -	\$ 7,150,799.00	\$ 7,150,799.00
Bond Proceeds	10,725,750.00	-	10,725,750.00	10,725,750.00
Transfer from Capital Outlay	449.00	-	449.00	449.00
Total Revenues	<u>17,876,998.00</u>	<u>-</u>	<u>17,876,998.00</u>	<u>17,876,998.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional & Technical Services	993,763.00	276,998.33	1,270,761.33	1,270,761.33
Construction Services	2,269,992.57	7,926,077.25	10,196,069.82	16,525,353.67
Other Object	79,993.00	890.00	80,883.00	80,883.00
Total Expenditures	<u>3,343,748.57</u>	<u>8,203,965.58</u>	<u>11,547,714.15</u>	<u>17,876,998.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 14,533,249.43</u>	<u>\$(8,203,965.58)</u>	<u>\$ 6,329,283.85</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	5910-050-14-1001
SDA Grant Number	G5-6348
Grant Date	5/14/2015
Bond Authorization Date	11/4/2014
Bonds Authorized	\$ 10,725,750.00
Bonds Issued	\$ 10,725,750.00
Original Authorized Cost	\$ 17,876,998.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 17,876,998.00

Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	64.60%
Original Target Completion Date	6/30/2017
Revised Target Completion Date	N/A



**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Mary S. Shoemaker Elementary School - HVAC, Vertical Movement, Electrical, Plumbing  
 From Inception and for the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$ 787,500.00	\$ -	\$ 787,500.00	\$ 787,500.00
Bond Proceeds	1,181,250.00	-	1,181,250.00	1,181,250.00
Transfer from Capital Outlay	-	-	-	-
Total Revenues	<u>1,968,750.00</u>	<u>-</u>	<u>1,968,750.00</u>	<u>1,968,750.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional & Technical Services	120,611.00	19,303.40	139,914.40	139,914.40
Construction Services	904,258.10	375,108.50	1,279,366.60	1,808,309.60
Other Object	20,526.00	-	20,526.00	20,526.00
Total Expenditures	<u>1,045,395.10</u>	<u>394,411.90</u>	<u>1,439,807.00</u>	<u>1,968,750.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 923,354.90</u>	<u>\$ (394,411.90)</u>	<u>\$ 528,943.00</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	5910-060-14-1002
SDA Grant Number	G5-6349
Grant Date	5/14/2015
Bond Authorization Date	11/4/2014
Bonds Authorized	\$ 1,181,250.00
Bonds Issued	\$ 1,181,250.00
Original Authorized Cost	\$ 1,968,750.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 1,968,750.00

Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	73.13%
Original Target Completion Date	6/30/2017
Revised Target Completion Date	N/A

**PROPRIETARY FUNDS**

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Proprietary Fund  
Combining Statement of Net Position  
June 30, 2017

	Business-Type Activities - Enterprise Funds			
	Food Service	Community School	Pre-School	Total
<b>ASSETS:</b>				
<b>Current Assets:</b>				
Cash and Cash Equivalents	\$ -	\$ 41,792.21	\$ 5,479.48	\$ 47,271.69
Accounts Receivable:				
State	245.00			245.00
Federal	9,162.78			9,162.78
Inventories	18,261.04			18,261.04
<b>Total Current Assets</b>	<b>27,668.82</b>	<b>41,792.21</b>	<b>5,479.48</b>	<b>74,940.51</b>
<b>Noncurrent Assets:</b>				
Machinery and Equipment	118,562.00	17,665.00		136,227.00
Less Accumulated Depreciation	(96,510.00)	(8,833.00)		(105,343.00)
<b>Total Noncurrent Assets</b>	<b>22,052.00</b>	<b>8,832.00</b>	<b>-</b>	<b>30,884.00</b>
<b>Total Assets</b>	<b>49,720.82</b>	<b>50,624.21</b>	<b>5,479.48</b>	<b>105,824.51</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Related to Pensions	196,248.00			196,248.00
<b>Total Deferred Outflows of Resources</b>	<b>196,248.00</b>	<b>-</b>	<b>-</b>	<b>196,248.00</b>
<b>LIABILITIES:</b>				
<b>Current Liabilities:</b>				
Cash and Cash Equivalents - Deficit	29,267.04			29,267.04
Interfund Payable	21,892.00			21,892.00
Accounts Payable:				
Other		1,536.00		1,536.00
Related to Pensions	17,679.00			17,679.00
Compensated Absences	2,581.00			2,581.00
<b>Total Current Liabilities</b>	<b>71,419.04</b>	<b>1,536.00</b>	<b>-</b>	<b>72,955.04</b>
<b>Noncurrent Liabilities:</b>				
Compensated Absences	14,628.00			14,628.00
Net Pension Liability	628,128.00			628,128.00
<b>Total Noncurrent Liabilities</b>	<b>642,756.00</b>	<b>-</b>	<b>-</b>	<b>642,756.00</b>
<b>NET POSITION:</b>				
Net Investment in Capital Assets	22,052.00	8,832.00	-	30,884.00
Unrestricted (Deficit)	(490,258.22)	40,256.21	5,479.48	(444,522.53)
<b>Total Net Position (Deficit)</b>	<b>\$ (468,206.22)</b>	<b>\$ 49,088.21</b>	<b>\$ 5,479.48</b>	<b>\$ (413,638.53)</b>

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Proprietary Fund  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds			
	<u>Food Service</u>	<u>Community School</u>	<u>Pre-School</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 158,873.80			\$ 158,873.80
Daily Sales - Non-Reimbursable Programs	102,964.05			102,964.05
Fees		\$ 21,485.00	\$ 40,197.34	61,682.34
Total Operating Revenues	<u>261,837.85</u>	<u>21,485.00</u>	<u>40,197.34</u>	<u>323,520.19</u>
<b>OPERATING EXPENSES:</b>				
Salaries	198,891.15	10,799.27	36,239.28	245,929.70
Employee Benefits	79,385.50			79,385.50
Depreciation	9,026.00	3,533.00		12,559.00
Cost of Sales-Reimbursable Programs	139,788.64			139,788.64
Cost of Sales-Non-Reimbursable Programs	42,398.00			42,398.00
Supplies and Materials	6,366.60			6,366.60
Pension Expense	66,012.00			66,012.00
Miscellaneous	11,000.57	542.19	2,606.58	14,149.34
Total Operating Expenses	<u>552,868.46</u>	<u>14,874.46</u>	<u>38,845.86</u>	<u>606,588.78</u>
Operating Income / (Loss)	<u>(291,030.61)</u>	<u>6,610.54</u>	<u>1,351.48</u>	<u>(283,068.59)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
State Sources:				
School Lunch Program	4,630.02			4,630.02
Federal Sources:				
National School Lunch Program	158,774.08			158,774.08
National School Breakfast Program	17,034.21			17,034.21
Food Distribution Program	45,472.02			45,472.02
Interest Earnings	161.77	62.35		224.12
Total Nonoperating Revenues (Expenses)	<u>226,072.10</u>	<u>62.35</u>	<u>-</u>	<u>226,134.45</u>
Change in Net Position	<u>(64,958.51)</u>	<u>6,672.89</u>	<u>1,351.48</u>	<u>(56,934.14)</u>
Net Position (Deficit) -- July 1 (Restated)	<u>(403,247.71)</u>	<u>42,415.32</u>	<u>4,128.00</u>	<u>(356,704.39)</u>
Net Position (Deficit) -- June 30	<u>\$ (468,206.22)</u>	<u>\$ 49,088.21</u>	<u>\$ 5,479.48</u>	<u>\$ (413,638.53)</u>

**WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT**  
Proprietary Fund  
Combining Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds			
	Food Service	Community School	Pre-School	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from Customers	\$ 266,238.85	\$ 21,485.00	\$ 43,107.34	\$ 330,831.19
Payments to Employees	(198,891.15)	(15,088.27)	(36,239.28)	(250,218.70)
Payments for Employee Benefits	(94,017.13)			(94,017.13)
Payments to Suppliers	(172,964.06)	(542.19)	(2,606.58)	(176,112.83)
Net Cash Provided by (Used for) Operating Activities	<u>(199,633.49)</u>	<u>5,854.54</u>	<u>4,261.48</u>	<u>(189,517.47)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
State Sources	4,666.36			4,666.36
Federal Sources	177,150.41			177,150.41
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>181,816.77</u>	<u>-</u>	<u>-</u>	<u>181,816.77</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Purchases of Noncurrent Assets				-
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest Income	161.77	62.35		224.12
Net Cash Provided by (Used for) Investing Activities	<u>161.77</u>	<u>62.35</u>	<u>-</u>	<u>224.12</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(17,654.95)	5,916.89	4,261.48	(7,476.58)
Cash and Cash Equivalents (Deficit) -- July 1	(11,612.09)	35,875.32	1,218.00	25,481.23
Cash and Cash Equivalents (Deficit) -- June 30	<u>\$ (29,267.04)</u>	<u>\$ 41,792.21</u>	<u>\$ 5,479.48</u>	<u>\$ 18,004.65</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income (Loss)	\$ (291,030.61)	\$ 6,610.54	\$ 1,351.48	\$ (283,068.59)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:				
Food Distribution Program	45,472.02			45,472.02
Depreciation and Net Amortization	9,026.00	3,533.00		12,559.00
Increase (Decrease) in Net Pension Liability	44,120.00			44,120.00
(Increase) Decrease in Accounts Receivable, Net	4,401.00		3,385.00	7,786.00
(Increase) Decrease in Inventories	(88.04)			(88.04)
Increase (Decrease) in Accounts Payable	(11,533.86)	(4,289.00)		(15,822.86)
Increase (Decrease) in Unearned Revenue			(475.00)	(475.00)
Total Adjustments	<u>91,397.12</u>	<u>(756.00)</u>	<u>2,910.00</u>	<u>93,551.12</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (199,633.49)</u>	<u>\$ 5,854.54</u>	<u>\$ 4,261.48</u>	<u>\$ (189,517.47)</u>

**FIDUCIARY FUNDS**

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Combining Statement of Fiduciary Net Position  
 June 30, 2017

	<u>Private-Purpose Trust Funds</u>		<u>Agency Funds</u>		<u>Total</u>
	<u>Unemployment Compensation Trust</u>	<u>Scholarship Trust</u>	<u>Student Activities</u>	<u>Payroll</u>	
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 216,702.48	\$ 13,481.58	\$ 293,636.70	\$ 2,742.11	\$ 526,562.87
Due from Student Activity Fund		7,496.00			7,496.00
<b>Total Assets</b>	<u>216,702.48</u>	<u>20,977.58</u>	<u>\$ 293,636.70</u>	<u>\$ 2,742.11</u>	<u>534,058.87</u>
<b>LIABILITIES:</b>					
Payable to Student Groups			\$ 286,140.70		\$ 286,140.70
Due to Scholarship Trust			7,496.00		7,496.00
Payroll Deductions and Withholdings				\$ 2,742.11	2,742.11
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>\$ 293,636.70</u>	<u>\$ 2,742.11</u>	<u>296,378.81</u>
<b>NET POSITION:</b>					
Held in Trust for Scholarships		20,977.58			20,977.58
Held in Trust for Unemployment Claims and Other Purposes	<u>216,702.48</u>				<u>216,702.48</u>
<b>Total Net Position</b>	<u>\$ 216,702.48</u>	<u>\$ 20,977.58</u>			<u>\$ 237,680.06</u>

**WOODSTOWN-PILESGROVE REGIONAL 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>
<b>ADDITIONS:</b>			
Contributions:			
Plan Member	\$ 45,725.22		\$ 45,725.22
Total Contributions	<u>45,725.22</u>	<u>-</u>	<u>45,725.22</u>
Investment Earnings:			
Interest and Dividends	648.80		648.80
Total Investment Earnings	<u>648.80</u>	<u>-</u>	<u>648.80</u>
Total Additions	<u>46,374.02</u>	<u>-</u>	<u>46,374.02</u>
<b>DEDUCTIONS:</b>			
Scholarships Awarded		\$ 400.00	400.00
Reimbursements Claims / Other	45,544.85	2.69	45,547.54
Total Deductions	<u>45,544.85</u>	<u>402.69</u>	<u>45,947.54</u>
Change in Net Position	829.17	(402.69)	426.48
Net Position -- July 1	<u>215,873.31</u>	<u>21,380.27</u>	<u>237,253.58</u>
Net Position -- June 30	<u>\$ 216,702.48</u>	<u>\$ 20,977.58</u>	<u>\$ 237,680.06</u>



**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Student Activities Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2017

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	<u>Balance</u> <u>June 30, 2016</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2017</u>
Student Activities Fund	\$ 263,068.84	\$ 615,045.71	\$ 608,028.32	\$ 270,086.23
Athletic Fund	<u>7,076.00</u>	<u>152,059.91</u>	<u>135,585.44</u>	<u>23,550.47</u>
Total	<u>\$ 270,144.84</u>	<u>\$ 767,105.62</u>	<u>\$ 743,613.76</u>	<u>\$ 293,636.70</u>

**WOODSTOWN-PIESGROVE REGIONAL 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>
<b>ASSETS:</b>				
Cash and Cash Equivalents		\$ 15,854,186.20	\$ 15,851,444.09	\$ 2,742.11
Due from General Fund	\$ 3,161.00		3,161.00	
Due from Unemployment Compensation Trust	363.38		363.38	
<b>Total Assets</b>	<u>\$ 3,524.38</u>	<u>\$ 15,854,186.20</u>	<u>\$ 15,854,968.47</u>	<u>\$ 2,742.11</u>
<b>LIABILITIES:</b>				
Cash and Cash Equivalents - Deficit	\$ 3,524.38		\$ 3,524.38	
Accrued Salaries and Wages		\$ 8,579,907.68	8,579,907.68	
Payroll Deductions and Withholdings		7,274,278.52	7,271,536.41	\$ 2,742.11
<b>Total Liabilities</b>	<u>\$ 3,524.38</u>	<u>\$ 15,854,186.20</u>	<u>\$ 15,854,968.47</u>	<u>\$ 2,742.11</u>

**LONG-TERM DEBT**

**WOODSTOWN-PILES GROVE REGIONAL SCHOOL DISTRICT**  
 Schedule of Serial Bonds  
 For the Fiscal Year Ended June 30, 2017

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance June 30, 2016	Paid by Budget Appropriation	Balance June 30, 2017
			Date	Amount				
Woodstown High School/Middle School New multi-purpose room & renovate science rooms. New Early Childhood Learning Center	3/26/2013	\$ 9,958,000	03/15/18	\$ 415,000	2.500%	\$ 9,225,000.00	\$ 400,000.00	\$ 8,825,000.00
			03/15/19	430,000	2.500%			
			03/15/20	450,000	2.500%			
			03/15/21	465,000	2.500%			
			03/15/22	480,000	2.500%			
			03/15/23	500,000	3.000%			
			03/15/24	525,000	3.000%			
			03/15/25	540,000	3.000%			
			03/15/26	560,000	3.000%			
			03/15/27	575,000	3.000%			
			03/15/28	600,000	3.000%			
			03/15/29	615,000	3.125%			
			03/15/30	635,000	3.250%			
			03/15/31	660,000	3.300%			
			03/15/32	675,000	3.338%			
			03/15/33	700,000	3.500%			
High School/Middle School and Shoemaker School various improvement and renovations	3/17/2015	11,907,000	03/15/18	500,000	2.750%	11,907,000.00	450,000.00	11,457,000.00
			03/15/19	515,000	2.750%			
			03/15/20	525,000	3.000%			
			03/15/21	540,000	3.000%			
			03/15/22	550,000	3.000%			
			03/15/23	570,000	3.000%			
			03/15/24	585,000	3.000%			
			03/15/25	600,000	3.000%			
			03/15/26	620,000	3.000%			
			03/15/27	640,000	3.000%			
			03/15/28	660,000	3.000%			
			03/15/29	680,000	3.000%			
			03/15/30	700,000	3.000%			
			03/15/31	700,000	3.000%			
			03/15/32	725,000	3.125%			
			03/15/33	750,000	3.125%			
03/15/34	800,000	3.250%						
03/15/35	797,000	3.250%						
						\$ 21,132,000.00	\$ 850,000.00	\$ 20,282,000.00

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Schedule of Capital Leases Payable  
For the Fiscal Year Ended June 30, 2017

<u>Purpose</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Issue</u>		<u>Interest Rate</u>	<u>Balance 6/30/2016 (a)</u>	<u>Retired Current Year</u>	<u>Balance 6/30/2017 (a)</u>
			<u>Principal</u>	<u>Interest</u>				
Copiers	6/14/2013	5 years	\$ 64,739	\$ 7,201	4.23%	\$ 28,185.00	\$ 13,951.67	\$ 14,233.33
Computers	7/13/2013	4 years	73,975	5,847	5.32%	18,948.00	18,948.00	-
Computers	7/13/2013	5 years	124,214	4,719	1.90%	50,139.00	24,160.83	25,978.17
IT Network	9/1/2013	5 years	145,856	1,628	3.90%	59,411.00	29,124.57	30,286.43
Computers	9/1/2014	3 years	46,936	2,530	5.49%	15,630.00	15,630.00	-
Computers	10/15/2015	5 years	231,327	8,789	1.90%	183,304.00	44,540.78	138,763.22
Tractor	10/22/2015	5 years	17,746	1,444	4.07%	13,908.00	3,271.44	10,636.56
						<u>\$ 369,525.00</u>	<u>\$ 149,627.29</u>	<u>\$ 219,897.71</u>

(a) Future Interest Payments Removed from Carrying Value of Leases

**WOODSTOWN-PILESGROVE REGIONAL 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>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 1,367,544.00	\$ -	\$ 1,367,544.00	\$ 1,367,544.00	\$ -
Miscellaneous	115,758.00	-	115,758.00	115,758.00	-
Total Revenues	<u>1,483,302.00</u>	<u>-</u>	<u>1,483,302.00</u>	<u>1,483,302.00</u>	<u>-</u>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest on Bonds	633,302.00	-	633,302.00	633,301.28	0.72
Redemption of Principal	850,000.00	-	850,000.00	850,000.00	-
Total Expenditures	<u>1,483,302.00</u>	<u>-</u>	<u>1,483,302.00</u>	<u>1,483,301.28</u>	<u>0.72</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	0.72	0.72
Fund Balance, July 1	<u>0.30</u>	<u>-</u>	<u>0.30</u>	<u>0.30</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 0.30</u>	<u>\$ -</u>	<u>\$ 0.30</u>	<u>\$ 1.02</u>	<u>\$ 0.72</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.



**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Net Position by Component  
 Last Ten Fiscal Years  
*(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>
<b>Governmental Activities</b>										
Net Investment in Capital Assets	8,942,862.36	(4,372,064.00)	(8,691,436.00)	2,161,797.00	2,988,365.00	2,815,175.00	2,923,278.00	3,131,191.00	3,046,092.00	2,728,522.00
Restricted	18,931.02	9,592,408.00	12,082,015.00	1,021,516.00	9,348,269.00	693,579.00	1,043,710.00	477,338.00	20,634.00	640,231.00
Unrestricted (Deficit)	(7,957,028.45)	(7,200,180.00)	(6,808,844.00)	(355,112.00)	(8,362,289.00)	693,241.00	(221,041.00)	(399,546.00)	(62,125.00)	94,402.00
<b>Total Governmental Activities Net Position</b>	<u>1,004,764.93</u>	<u>(1,979,836.00)</u>	<u>(3,418,265.00)</u>	<u>2,828,201.00</u>	<u>3,974,345.00</u>	<u>4,201,995.00</u>	<u>3,745,947.00</u>	<u>3,208,983.00</u>	<u>3,004,601.00</u>	<u>3,463,155.00</u>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	30,884.00	43,443.00	52,469.00	42,064.00	47,557.00	46,168.00	50,560.00	50,442.00	23,377.00	27,806.00
Unrestricted (Deficit)	(444,522.53)	(380,613.00)	(372,698.00)	(1,453.00)	162,600.00	255,030.00	249,999.00	250,012.00	147,310.00	49,603.00
<b>Total Business-Type Activities Net Position</b>	<u>(413,638.53)</u>	<u>(337,170.00)</u>	<u>(320,229.00)</u>	<u>40,611.00</u>	<u>210,157.00</u>	<u>301,198.00</u>	<u>300,559.00</u>	<u>300,454.00</u>	<u>170,687.00</u>	<u>77,409.00</u>
<b>Government-Wide</b>										
Net Investment in Capital Assets	8,973,746.36	(4,328,621.00)	(8,638,967.00)	2,203,861.00	3,035,922.00	2,861,343.00	2,973,838.00	3,181,633.00	3,069,469.00	2,756,328.00
Restricted	18,931.02	9,592,408.00	12,082,015.00	1,021,516.00	9,348,269.00	693,579.00	1,043,710.00	477,338.00	20,634.00	640,231.00
Unrestricted (Deficit)	(8,401,550.98)	(7,580,793.00)	(7,181,542.00)	(356,565.00)	(8,199,689.00)	948,271.00	28,958.00	(149,534.00)	85,185.00	144,005.00
<b>Total Government-Wide Net Position</b>	<u>591,126.40</u>	<u>(2,317,006.00)</u>	<u>(3,738,494.00)</u>	<u>2,868,812.00</u>	<u>4,184,502.00</u>	<u>4,503,193.00</u>	<u>4,046,506.00</u>	<u>3,509,437.00</u>	<u>3,175,288.00</u>	<u>3,540,564.00</u>

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

Source: District Records

**WOODSTOWN-PILES GROVE REGIONAL 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	7,078,006.37	6,890,189.00	7,219,581.00	7,183,330.00	7,317,384.00	6,863,729.00	6,642,145.00	7,374,047.00	7,225,533.00	7,036,000.00
Special education	2,606,419.84	2,628,113.00	2,566,495.00	2,124,715.00	1,943,162.00	1,742,193.00	1,551,075.00	1,749,763.00	1,692,165.00	1,538,940.00
Other instruction	860,839.27	855,778.00	947,783.00	886,661.00	755,998.00	841,121.00	740,987.00	833,501.00	757,917.00	696,690.00
Support services:										
Tuition	845,641.61	660,539.00	504,710.00	954,329.00	738,591.00	656,391.00	837,334.00	664,541.00	763,021.00	610,794.00
Student & instruction related services	2,295,417.89	2,199,543.00	2,226,052.00	2,374,011.00	2,270,966.00	2,148,823.00	1,837,464.00	2,219,189.00	2,024,296.00	2,066,857.00
General admin, central services, IT	1,192,272.50	1,285,064.00	1,016,464.00	920,424.00	928,248.00	836,509.00	837,370.00	1,201,988.00	1,017,392.00	946,251.00
School Administrative	1,256,648.41	1,010,346.00	1,283,138.00	1,295,068.00	1,202,794.00	1,136,745.00	1,088,911.00	957,801.00	1,180,347.00	1,004,317.00
Plant operations and maintenance	1,924,002.01	2,166,468.00	2,168,131.00	2,126,950.00	2,087,814.00	2,355,647.00	1,854,404.00	1,920,772.00	1,930,725.00	1,881,934.00
Pupil transportation	867,307.41	954,529.00	898,109.00	919,485.00	753,104.00	754,250.00	787,446.00	885,584.00	847,124.00	798,773.00
Employee benefits	12,877,336.46	10,292,654.00	9,133,020.00	6,098,306.00	5,709,827.00	5,093,193.00	4,929,257.00	5,214,763.00	4,885,697.00	5,528,883.00
Interest on long-term debt	633,069.28	644,244.00	424,830.00	266,331.00	78,572.00	2,974.00	5,114.00	-	-	-
Unallocated depreciation	190,725.60	221,710.00	151,493.00	150,327.00	122,766.00	113,794.00	117,234.00	112,551.00	105,146.00	107,637.00
Total governmental activities expenses	<u>32,627,686.65</u>	<u>29,809,177.00</u>	<u>28,539,806.00</u>	<u>25,299,937.00</u>	<u>23,909,226.00</u>	<u>22,545,369.00</u>	<u>21,228,741.00</u>	<u>23,134,500.00</u>	<u>22,429,363.00</u>	<u>22,217,076.00</u>
Business-type activities:										
Food service	552,868.46	614,643.00	618,765.00	623,270.00	642,432.00	630,377.00	625,122.00	581,184.00	569,258.00	550,897.00
Community school	14,874.46	67,018.00	80,820.00	189,229.00	201,281.00	341,357.00	344,360.00	183,681.00	185,778.00	233,230.00
Pre-school	38,845.86	-	-	-	-	-	-	-	-	-
Total business-type activities expense	<u>606,588.78</u>	<u>681,661.00</u>	<u>699,585.00</u>	<u>812,499.00</u>	<u>843,713.00</u>	<u>971,734.00</u>	<u>969,482.00</u>	<u>764,865.00</u>	<u>755,036.00</u>	<u>784,127.00</u>
Total government expenses	<u><u>33,234,275.43</u></u>	<u><u>30,490,838.00</u></u>	<u><u>29,239,391.00</u></u>	<u><u>26,112,436.00</u></u>	<u><u>24,752,939.00</u></u>	<u><u>23,517,103.00</u></u>	<u><u>22,198,223.00</u></u>	<u><u>23,899,365.00</u></u>	<u><u>23,184,399.00</u></u>	<u><u>23,001,203.00</u></u>

(Continued)

**WOODSTOWN-PILESGROVE REGIONAL 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)	4,136,599.21	4,531,208.00	4,598,805.00	3,975,425.00	4,056,556.00	4,450,941.00	3,865,952.00	4,509,399.00	4,408,433.00	4,244,303.00
Operating grants and contributions	8,476,973.93	5,998,769.00	4,693,403.00	1,965,370.00	2,194,986.00	1,768,097.00	1,453,949.00	1,475,832.00	1,451,833.00	2,259,101.00
Total governmental activities program revenues	<u>12,613,573.14</u>	<u>10,529,977.00</u>	<u>9,292,208.00</u>	<u>5,940,795.00</u>	<u>6,251,542.00</u>	<u>6,219,038.00</u>	<u>5,319,901.00</u>	<u>5,985,231.00</u>	<u>5,860,266.00</u>	<u>6,503,404.00</u>
Business-type activities:										
Charges for services:										
Food service	261,837.85	294,407.00	309,256.00	335,759.00	337,059.00	419,478.00	445,246.00	434,902.00	435,196.00	395,561.00
Community school	21,485.00	236,428.00	82,593.00	443,772.00	396,359.00	362,971.00	331,144.00	288,021.00	254,555.00	243,860.00
Pre-school	40,197.34	-	-	-	-	-	-	-	-	-
Operating grants and contributions	225,910.33	63,550.00	220,074.00	226,872.00	229,469.00	236,232.00	192,930.00	171,506.00	158,133.00	149,319.00
Total business-type activities program revenues	<u>549,430.52</u>	<u>594,385.00</u>	<u>611,923.00</u>	<u>1,006,403.00</u>	<u>962,887.00</u>	<u>1,018,681.00</u>	<u>969,320.00</u>	<u>894,429.00</u>	<u>847,884.00</u>	<u>788,740.00</u>
Total government program revenues	<u>13,163,003.66</u>	<u>11,124,362.00</u>	<u>9,904,131.00</u>	<u>6,947,198.00</u>	<u>7,214,429.00</u>	<u>7,237,719.00</u>	<u>6,289,221.00</u>	<u>6,879,660.00</u>	<u>6,708,150.00</u>	<u>7,292,144.00</u>
Net (expense)/revenue										
Governmental activities	(20,014,113.51)	(19,279,200.00)	(19,247,598.00)	(19,359,142.00)	(17,657,684.00)	(16,326,331.00)	(15,908,840.00)	(17,149,269.00)	(16,569,097.00)	(15,713,672.00)
Business-type activities	(57,158.26)	(87,276.00)	(87,662.00)	193,904.00	119,174.00	46,947.00	(162.00)	129,564.00	92,848.00	4,613.00
Total government-wide net expense	<u>(20,071,271.77)</u>	<u>(19,366,476.00)</u>	<u>(19,335,260.00)</u>	<u>(19,165,238.00)</u>	<u>(17,538,510.00)</u>	<u>(16,279,384.00)</u>	<u>(15,909,002.00)</u>	<u>(17,019,705.00)</u>	<u>(16,476,249.00)</u>	<u>(15,709,059.00)</u>
General revenues and other changes in net position										
Governmental activities:										
Property taxes levied for general purposes	10,602,367.00	10,146,692.00	9,947,738.00	9,752,685.00	9,414,398.00	9,229,803.00	9,229,803.00	8,874,811.00	8,603,163.00	8,368,426.00
Property taxes levied for debt service	1,367,544.00	901,877.00	631,439.00	255,210.00	-	-	-	-	-	-
Grants and contributions	10,701,588.30	9,267,974.00	7,920,698.00	7,869,587.00	7,759,232.00	7,434,344.00	7,095,114.00	8,401,297.00	7,456,658.00	6,971,475.00
Miscellaneous income	661,979.39	471,288.00	418,074.00	53,611.00	45,932.00	73,454.00	120,887.00	77,813.00	50,452.00	94,005.00
Cancellation of capital lease	-	-	-	26,843.00	-	-	-	-	-	-
Adjustment to fixed assets	-	-	-	(54,100.00)	-	-	-	-	-	-
Bond issuance costs	-	-	(58,861.00)	-	-	-	-	-	-	-
Transfers	-	(70,202.00)	6,340.00	363,590.00	210,472.00	46,542.00	-	-	-	-
Total governmental activities	<u>23,333,478.69</u>	<u>20,717,629.00</u>	<u>18,865,428.00</u>	<u>18,267,426.00</u>	<u>17,430,034.00</u>	<u>16,784,143.00</u>	<u>16,445,804.00</u>	<u>17,353,921.00</u>	<u>16,110,273.00</u>	<u>15,433,906.00</u>
Business-type activities:										
Investment earnings	224.12	133.00	187.00	140.00	257.00	234.00	267.00	203.00	430.00	2,656.00
Transfers	-	70,202.00	93,660.00	(363,590.00)	(210,472.00)	(46,542.00)	-	-	-	-
Total business-type activities	<u>224.12</u>	<u>70,335.00</u>	<u>93,847.00</u>	<u>(363,450.00)</u>	<u>(210,215.00)</u>	<u>(46,308.00)</u>	<u>267.00</u>	<u>203.00</u>	<u>430.00</u>	<u>2,656.00</u>
Total government-wide	<u>23,333,702.81</u>	<u>20,787,964.00</u>	<u>18,959,275.00</u>	<u>17,903,976.00</u>	<u>17,219,819.00</u>	<u>16,737,835.00</u>	<u>16,446,071.00</u>	<u>17,354,124.00</u>	<u>16,110,703.00</u>	<u>15,436,562.00</u>
Change in net position										
Governmental activities	3,319,365.18	1,438,429.00	(382,170.00)	(1,091,716.00)	(227,650.00)	457,812.00	536,964.00	204,652.00	(458,824.00)	(279,766.00)
Business-type activities	(56,934.14)	(16,941.00)	6,185.00	(169,546.00)	(91,041.00)	639.00	105.00	129,767.00	93,278.00	7,269.00
Total government	<u>3,262,431.04</u>	<u>1,421,488.00</u>	<u>(375,985.00)</u>	<u>(1,261,262.00)</u>	<u>(318,691.00)</u>	<u>458,451.00</u>	<u>537,069.00</u>	<u>334,419.00</u>	<u>(365,546.00)</u>	<u>(272,497.00)</u>

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

Source: District Records

**WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT**  
Fund Balances - Governmental Funds  
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>
General Fund										
Restricted	18,930.00	265,420.00	547,053.00	642,920.00	1,647,346.00	2,119,602.00	1,451,959.00	459,761.00	1.00	620,300.00
Assigned	250,850.42	-	-	-	-	-	-	-	-	-
Unassigned (Deficit)	(197,562.24)	(422,969.00)	(565,509.00)	(278,461.00)	(61,444.00)	(217,073.00)	(180,863.00)	322,188.00	444,630.00	484,680.00
Total General Fund	<u>72,218.18</u>	<u>(157,549.00)</u>	<u>(18,456.00)</u>	<u>364,459.00</u>	<u>1,585,902.00</u>	<u>1,902,529.00</u>	<u>1,271,096.00</u>	<u>781,949.00</u>	<u>444,631.00</u>	<u>1,104,980.00</u>
All Other Governmental Funds										
Restricted	4,167,961.61	9,326,987.00	12,063,085.00	982,161.00	8,863,564.00	-	17,577.00	17,577.00	20,363.00	19,931.00
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned (Deficit)	(3,300.00)	(3,300.00)	(3,300.00)	(3,300.00)	(3,300.00)	(3,300.00)	(3,300.00)	(3,300.00)	(3,300.00)	(4,806.00)
Total all Other Governmental Funds	<u>4,164,661.61</u>	<u>9,323,687.00</u>	<u>12,059,785.00</u>	<u>978,861.00</u>	<u>8,860,264.00</u>	<u>(3,300.00)</u>	<u>14,277.00</u>	<u>14,277.00</u>	<u>17,063.00</u>	<u>15,125.00</u>

Source: District Records

**WOODSTOWN-PILES GROVE REGIONAL 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
<b>Revenues</b>										
Local Tax Levy	11,969,911.00	11,048,569.00	10,579,177.00	10,007,895.00	9,414,398.00	9,229,803.00	9,229,803.00	8,874,811.00	8,603,163.00	8,368,426.00
Tuition Charges	4,136,599.21	4,531,208.00	4,598,805.00	3,975,425.00	4,056,556.00	4,450,941.00	3,865,952.00	4,509,399.00	4,408,433.00	4,244,303.00
Miscellaneous Revenues	661,979.39	471,288.00	418,074.00	53,610.00	45,932.00	73,454.00	120,888.00	77,813.00	50,452.00	94,005.00
State Sources	13,642,607.42	11,442,466.00	9,543,271.00	9,240,009.00	9,317,531.00	8,543,280.00	7,963,171.00	8,023,970.00	8,436,323.00	8,754,204.00
Federal Sources	598,731.81	628,253.00	640,084.00	594,948.00	636,687.00	659,161.00	585,892.00	1,853,159.00	472,168.00	476,372.00
<b>Total Revenues</b>	<b>31,009,828.83</b>	<b>28,121,784.00</b>	<b>25,779,411.00</b>	<b>23,871,887.00</b>	<b>23,471,104.00</b>	<b>22,956,639.00</b>	<b>21,765,706.00</b>	<b>23,339,152.00</b>	<b>21,970,539.00</b>	<b>21,937,310.00</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	6,973,332.86	7,034,950.00	7,356,274.00	7,333,310.00	7,387,870.00	6,946,926.00	6,673,535.00	7,519,166.00	7,193,837.00	6,970,772.00
Special Education Instruction	2,574,632.24	2,612,112.00	2,555,561.00	2,113,866.00	1,934,302.00	1,733,981.00	1,542,615.00	1,741,641.00	1,684,577.00	1,531,172.00
Other Instruction	860,839.27	855,778.00	947,783.00	886,661.00	755,998.00	841,121.00	740,987.00	833,501.00	757,917.00	696,690.00
<b>Support Services:</b>										
Tuition	845,641.61	660,539.00	504,710.00	954,329.00	738,591.00	656,391.00	837,334.00	664,541.00	763,021.00	610,794.00
Student & Instruction Related Services	2,295,417.89	2,194,972.00	2,222,928.00	2,370,911.00	2,268,435.00	2,146,477.00	1,835,047.00	2,216,868.00	2,022,128.00	2,064,638.00
General Admin, Central Services, IT	1,128,697.30	1,010,346.00	1,016,464.00	920,424.00	928,248.00	836,509.00	837,370.00	957,801.00	1,017,392.00	1,004,317.00
School Administrative Services	1,256,648.41	1,285,064.00	1,283,138.00	1,295,068.00	1,202,794.00	1,136,745.00	1,088,911.00	1,201,988.00	1,180,347.00	946,251.00
Plant Operations and Maintenance	1,828,639.21	1,956,185.00	2,024,446.00	1,984,371.00	1,971,376.00	2,247,719.00	1,743,213.00	1,814,023.00	1,830,999.00	1,779,846.00
Pupil Transportation	867,307.41	954,529.00	898,109.00	919,485.00	753,104.00	754,250.00	787,446.00	885,584.00	847,124.00	798,773.00
Unallocated Benefits	7,219,958.83	6,903,434.00	6,601,622.00	6,059,696.00	5,645,079.00	5,043,489.00	5,184,986.00	4,999,784.00	4,767,714.00	5,488,576.00
<b>Capital Outlay</b>	<b>8,598,377.48</b>	<b>4,692,257.00</b>	<b>921,540.00</b>	<b>8,571,477.00</b>	<b>1,571,581.00</b>	<b>72,924.00</b>	<b>277,033.00</b>	<b>189,557.00</b>	<b>784,394.00</b>	<b>290,174.00</b>
<b>Debt Service:</b>										
Principal	850,000.00	375,000.00	358,000.00	-	-	-	-	-	-	-
Interest and Other Charges	639,595.28	640,680.00	292,242.00	272,760.00	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>35,939,087.79</b>	<b>31,175,846.00</b>	<b>26,982,817.00</b>	<b>33,682,358.00</b>	<b>25,157,378.00</b>	<b>22,416,532.00</b>	<b>21,548,477.00</b>	<b>23,024,454.00</b>	<b>22,849,450.00</b>	<b>22,182,003.00</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(4,929,258.96)</b>	<b>(3,054,062.00)</b>	<b>(1,203,406.00)</b>	<b>(9,810,471.00)</b>	<b>(1,686,274.00)</b>	<b>540,107.00</b>	<b>217,229.00</b>	<b>314,698.00</b>	<b>(878,911.00)</b>	<b>(244,693.00)</b>
<b>Other Financing Sources (Uses)</b>										
Bond Proceeds	-	-	11,907,000.00	-	9,958,000.00	-	-	-	-	-
Capital Leases (non-budgeted)	-	249,073.00	46,936.00	344,035.00	64,739.00	28,970.00	271,919.00	19,834.00	220,500.00	283,924.00
Prior Year Adjustment	-	-	-	-	-	(1,764.00)	-	-	-	-
Bond Issuance Cost	-	-	(58,861.00)	-	-	-	-	-	-	-
Transfers In	-	-	100,449.00	363,590.00	211,130.00	49,258.00	-	-	-	-
Transfers Out	-	(70,202.00)	(94,109.00)	-	(658.00)	(2,716.00)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>178,871.00</b>	<b>11,901,415.00</b>	<b>707,625.00</b>	<b>10,233,211.00</b>	<b>73,748.00</b>	<b>271,919.00</b>	<b>19,834.00</b>	<b>220,500.00</b>	<b>283,924.00</b>
<b>Net Change in Fund Balances</b>	<b>(4,929,258.96)</b>	<b>(2,875,191.00)</b>	<b>10,698,009.00</b>	<b>(9,102,846.00)</b>	<b>8,546,937.00</b>	<b>613,855.00</b>	<b>489,148.00</b>	<b>334,532.00</b>	<b>(658,411.00)</b>	<b>39,231.00</b>
<b>Debt Service as a percentage of noncapital expenditures</b>	<b>5.45%</b>	<b>3.84%</b>	<b>2.50%</b>	<b>1.09%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

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.

**WOODSTOWN-PILESGROVE REGIONAL 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										
Interest on investments	7,307.07	15,428.00	7,170.00	8,026.00	7,734.00	4,255.00	3,835.00	3,518.00	11,127.00	46,170.00
Athletic Gate Receipts	10,752.92	14,423.00	-	-	-	7,810.00	5,451.00	9,284.00	12,473.00	10,758.00
Rentals	11,024.02	7,805.00	12,534.00	25,512.00	30,639.00	15,176.00	5,616.00	16,178.00	6,508.00	7,018.00
Prior Year Refunds	-	-	-	-	4,412.00	14,800.00	29,200.00	21,295.00	17,315.00	17,483.00
Miscellaneous	16,273.80	9,389.00	4,563.00	2,522.00	3,147.00	13,689.00	50,903.00	9,089.00	2,597.00	11,907.00
Academy	496,935.09	424,243.00	379,480.00	-	-	-	-	-	-	-
<b>Total Miscellaneous Revenues</b>	<b>542,292.90</b>	<b>471,288.00</b>	<b>403,747.00</b>	<b>36,060.00</b>	<b>45,932.00</b>	<b>55,730.00</b>	<b>95,005.00</b>	<b>59,364.00</b>	<b>50,020.00</b>	<b>93,336.00</b>

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.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Assessed Value and Actual Value of Taxable Property  
Last Ten Years  
*Unaudited*

Year	Land	Residential	Farm / Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>	Percentage of Net Assessed to Estimated Full Cash Valuations
<b>Woodstown</b>												
2017	2,332,300	232,183,400	121,900	39,012,100	-	10,306,500	283,956,200	1,111,236	285,067,436	266,701,947	1.636	106.89%
2016	2,239,200	234,699,300	196,400	39,355,800	-	10,408,100	286,898,800	1,089,033	287,987,833	275,775,444	1.603	104.43%
2015	Information not available								288,898,808	274,933,710	1.479	105.08%
2014									291,719,375	275,299,909	1.389	105.96%
2013									295,109,549	284,048,235	1.301	103.89%
2012									296,779,818	293,732,828	1.213	101.04%
2011									298,185,561	300,345,306	1.169	99.28%
2010									298,031,311	297,040,105	1.174	100.33%
2009									299,377,045	302,563,918	1.145	98.95%
2008		299,963,174	278,653,459	1.056	107.65%							
<b>Pilesgrove</b>												
2017	8,974,700	339,005,600	70,074,100	50,484,300	-	7,466,300	476,005,000	-	476,005,000	436,092,469	1.587	109.15%
2016	9,133,300	335,580,800	72,908,400	49,663,400	-	7,466,300	474,752,200	-	474,752,200	435,064,947	1.546	109.12%
2015	Information not available								478,754,300	436,260,593	1.415	109.74%
2014									481,080,200	440,218,965	1.354	109.28%
2013									485,281,400	448,341,940	1.269	108.24%
2012									492,623,399	476,987,201	1.180	103.28%
2011									491,507,899	492,299,260	1.168	99.84%
2010									493,098,647	490,873,553	1.163	100.45%
2009									491,754,406	487,686,282	1.107	100.83%
2008		485,903,245	479,644,645	1.118	101.30%							

Source: Abstract of Ratables for the County of Salem

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



**WOODSTOWN-PIESGROVE REGIONAL 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>Municipal</u>	<u>County</u>	
<u>Woodstown</u>						
2017	1.447	0.189	1.636	0.680	1.079	3.395
2016	1.420	0.183	1.603	0.650	1.037	3.290
2015	1.479	-	1.479	0.630	0.951	3.060
2014	1.389	-	1.389	0.606	0.907	2.902
2013	1.301	-	1.301	0.575	0.922	2.798
2012	1.213	-	1.213	0.553	0.930	2.696
2011	1.169	-	1.169	0.533	0.900	2.602
2010	1.174	-	1.174	0.510	0.873	2.557
2009	1.145	-	1.145	0.481	0.898	2.524
2008	1.056	-	1.056	0.451	0.862	2.369
<u>Pilesgrove</u>						
2017	1.403	0.184	1.587	0.283	1.059	2.929
2016	1.369	0.177	1.546	0.273	0.991	2.810
2015	1.415	-	1.415	0.273	0.912	2.600
2014	1.354	-	1.354	0.272	0.878	2.504
2013	1.269	-	1.269	0.263	0.882	2.414
2012	1.180	-	1.180	0.250	0.906	2.336
2011	1.168	-	1.168	0.249	0.896	2.313
2010	1.163	-	1.163	0.125	0.877	2.165
2009	1.107	-	1.107	0.122	0.879	2.108
2008	1.118	-	1.118	0.100	0.913	2.131

Source: Abstract of Ratables for the County of Salem

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**

Principal Property Taxpayers  
Current Year and Nine Years Ago  
*Unaudited*

Woodstown Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Hillcrest Gardens Apartments	4,600,000.00	1	1.61%			
Erdners Busy Corner Warehouse Inc.	3,661,000.00	2	1.28%			
Woodstown Development Group LLC	3,085,400.00	3	1.08%			
Hillcrest II Limited Partnership	2,200,000.00	4	0.77%			
ARHC SCWDSNJ01, LLC	2,062,300.00	5	0.72%			Information Not Available
The Bank	1,716,000.00	6	0.60%			
Taxpayer 1	1,464,000.00	7	0.51%			
Bell Atlantic Prop C/O Duff & Phelps	1,111,236.00	8	0.39%			
McDonald's (JDKD Enterprises LP)	1,093,900.00	9	0.38%			
Ekiz Brothers Investment, LLC	989,300.00	10	0.35%			
<b>Total</b>	<b>21,983,136.00</b>		<b>7.71%</b>	<b>-</b>		<b>-</b>

Pilesgrove Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Friends Home of Woodstown Inc.	7,570,400.00	1	1.59%			
ASP Realty, Inc.	5,228,100.00	2	1.10%			
Richard E Pierson	4,140,300.00	3	0.87%			
Pilesgrove Solar LLC % Con Edison	3,593,700.00	4	0.75%			Information Not Available
Wawa Inc.	2,486,500.00	5	0.52%			
Barbich, Louis J ET AL Trustees	2,444,100.00	6	0.51%			
Cowtown Bawl	2,279,900.00	7	0.48%			
JRC Assets LP - Rite Aid	2,112,300.00	8	0.44%			
Franklin Savings Bank	1,936,600.00	9	0.41%			
Pierson-Gaskill Golf Properties Inc.	1,830,500.00	6	0.38%			
<b>Total</b>	<b>33,622,400.00</b>		<b>7.06%</b>	<b>-</b>		<b>-</b>

Source: Municipal Tax Assessor

**WOODSTOWN-PILESGROVE REGIONAL 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	
Woodstown	4,627,580.00	4,627,580.00	100.00%	-
Pilesgrove	7,342,331.00	7,342,331.00	100.00%	-
2017	11,969,911.00	11,969,911.00	100.00%	-
2016	11,048,569.00	11,048,569.00	100.00%	-
2015	10,579,177.00	10,579,177.00	100.00%	-
2014	10,007,895.00	10,007,895.00	100.00%	-
2013	9,414,398.00	9,414,398.00	100.00%	-
2012	9,229,803.00	9,229,803.00	100.00%	-
2011	9,229,803.00	9,229,803.00	100.00%	-
2010	8,874,811.00	8,874,781.00	100.00%	-
2009	8,603,163.00	8,603,163.00	100.00%	-
2008	8,368,426.00	8,368,426.00	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.

**WOODSTOWN-PILESGROVE REGIONAL 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						
Woodstown	7,792,119	84,482	-	7,876,601	Unavailable	Unavailable
Pilesgrove	12,489,881	135,415	-	12,625,296	Unavailable	Unavailable
	<u>20,282,000</u>	<u>219,898</u>	<u>-</u>	<u>20,501,898</u>		
2016	21,132,000	369,525	-	21,501,525	Unavailable	2,834
2015	21,507,000	269,784	-	21,776,784	6.85%	2,934
2014	9,958,000	362,665	-	10,320,665	3.29%	1,380
2013	9,958,000	198,553	-	10,156,553	3.18%	1,348
2012	-	224,725	-	224,725	0.07%	30
2011	-	263,404	-	263,404	0.09%	35
2010	-	211,673	-	211,673	0.07%	27
2009	-	359,113	-	359,113	0.12%	45
2008	-	329,585	-	329,585	0.12%	42

(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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Ratios of Net General Bonded Debt Outstanding  
 Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Deductions			
2017					
Woodstown	7,792,119	-	7,792,119	2.73%	Unavailable
Pilesgrove	12,489,881	-	12,489,881	2.62%	Unavailable
	<u>20,282,000</u>	<u>-</u>	<u>20,282,000</u>	<u>2.66%</u>	
2016	21,132,000	-	21,132,000	3.58%	2,785
2015	21,507,000	-	21,507,000	3.62%	2,898
2014	9,958,000	-	9,958,000	1.67%	1,332
2013	9,958,000	-	9,958,000	1.67%	1,321
2012	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2008	-	-	-	0.00%	-

(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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2016  
*Unaudited*

Woodstown <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			
Borough of Woodstown	1,367,580.45	100.00%	1,367,580.45
County of Salem - Borough's Share	39,534,364.00	5.41%	<u>2,136,901.95</u>
Subtotal, overlapping debt			3,504,482.40
Woodstown-Pilesgrove Regional School District Direct Debt	7,792,119.07	100.00%	<u>7,792,119.07</u>
Total direct and overlapping debt			<u><u>11,296,601.47</u></u>

## Sources:

- (1) Borough of Woodstown's Annual Debt Statement - December 31, 2016
  - (2) County of Salem's Audit Report - December 31, 2016
- (A) The debt for this entity was apportioned to the Borough of Woodstown by dividing the Borough's 2016 equalized value by the total 2016 equalized value for the County of Salem, which results in an apportionment of 5.41%.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2016  
*Unaudited*

Pilesgrove <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			
Township of Pilesgrove	5,127,200.00	100.00%	5,127,200.00
County of Salem - Township's Share	39,534,364.00	8.66%	<u>3,425,210.87</u>
Subtotal, overlapping debt			8,552,410.87
Woodstown-Pilesgrove Regional School District Direct Debt	12,489,880.93	100.00%	<u>12,489,880.93</u>
Total direct and overlapping debt			<u><u>21,042,291.80</u></u>

## Sources:

- (1) Township of Pilesgrove's Annual Debt Statement - December 31, 2016
- (2) County of Salem's Audit Report - December 31, 2016
- (A) The debt for this entity was apportioned to the Township of Pilesgrove by dividing the Township's 2016 equalized value by the total 2016 equalized value for the County of Salem, which results in an apportionment of 8.66%.



**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
*Unaudited*

**Legal Debt Margin Calculation for Fiscal Year 2017**

	Woodstown	<u>Equalized Valuation Basis (1)</u>		Pilesgrove	<u>Equalized Valuation Basis (1)</u>	
		2016	267,081,363.00		2016	433,484,478.00
		2015	274,336,194.00		2015	437,138,696.00
		2014	275,461,845.00		2014	438,741,632.00
		[A]	<u>816,879,402.00</u>		[A]	<u>1,309,364,806.00</u>
Average equalized valuation of taxable property	[A/3]	272,293,134.00		Average equalized valuation of taxable property	[A/3]	436,454,935.33
Debt limit (4% of average equalization value) (2)	[B]	10,891,725.36		Debt limit (4% of average equalization value) (2)	[B]	17,458,197.41
Total Net Debt Applicable to Limit	[C]	<u>7,792,119.07</u>		Total Net Debt Applicable to Limit	[C]	<u>12,489,880.93</u>
Legal Debt Margin	[B-C]	<u>3,099,606.29</u>		Legal Debt Margin	[B-C]	<u>4,968,316.48</u>

Fiscal Year Ended June 30,

	Woodstown <u>2017</u>	Pilesgrove <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	10,891,725.36	17,458,197.41	28,571,721.00	28,868,728.00	29,536,235.00	30,469,408.00	31,103,570.00	31,307,398.00	30,843,314.00	29,993,623.00	27,678,972.00
Total net debt applicable to limit (3)	7,792,119.07	12,489,880.93	21,132,000.00	21,507,000.00	9,958,000.00	9,958,000.00	-	-	-	-	-
Legal Debt Margin	3,099,606.29	4,968,316.48	7,439,721.00	7,361,728.00	19,578,235.00	20,511,408.00	31,103,570.00	31,307,398.00	30,843,314.00	29,993,623.00	27,678,972.00
Total net debt applicable to the limit as a percentage of debt limit	71.54%	71.54%	73.96%	74.50%	33.71%	32.68%	0.00%	0.00%	0.00%	0.00%	0.00%

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.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Demographic and Economic Statistics  
 Last Ten Years  
*Unaudited*

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<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
Woodstown				
2016	3,484	Unavailable	Unavailable	5.30%
2015	3,524	156,127,296.00	44,304.00	6.30%
2014	3,454	148,003,900.00	42,850.00	6.70%
2013	3,482	146,233,554.00	41,997.00	6.30%
2012	3,514	148,817,900.00	42,350.00	6.00%
2011	3,496	142,801,112.00	40,847.00	5.90%
2010	3,505	139,162,520.00	39,704.00	6.20%
2009	3,349	128,303,539.00	38,311.00	5.90%
2008	3,360	128,026,080.00	38,103.00	3.30%
2007	3,321	117,018,756.00	35,236.00	2.60%
Pilesgrove				
2016	4,025	Unavailable	Unavailable	4.50%
2015	4,063	180,007,152.00	44,304.00	5.20%
2014	3,967	169,985,950.00	42,850.00	7.40%
2013	3,995	167,778,015.00	41,997.00	7.00%
2012	4,023	170,374,050.00	42,350.00	8.90%
2011	4,006	163,633,082.00	40,847.00	8.70%
2010	4,016	159,451,264.00	39,704.00	4.60%
2009	4,548	174,238,428.00	38,311.00	8.60%
2008	4,548	173,292,444.00	38,103.00	5.00%
2007	4,515	159,090,540.00	35,236.00	3.90%

(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

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Principal Employers  
Current Year and Nine Years Ago  
*Unaudited*

Employer	2017			2008		
	Approximate Number of Employees	Rank	Percentage of Total Municipal Employment	Approximate Number of Employees	Rank	Percentage of Total Municipal Employment
Woodstown	Information Not Available			Information Not Available		
	-		0.00%	-		0.00%
Pilesgrove	Information Not Available			Information Not Available		
	-		0.00%	-		0.00%

## **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.

**WOODSTOWN-PILESGROVE REGIONAL 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	95.9	100.1	103.2	102.8	101.8	110.7	106.5	112.7	110.8	108.8
Special Education	43.5	44.1	48.2	47.6	35.4	21.9	20.7	22.2	24.7	24.5
Vocational	-	-	-	-	-	0.8	1.0	1.6	1.5	1.2
Other Instruction	1.3	1.0	1.0	1.0	1.0	-	-	-	-	-
Support Services:										
Student & Instruction Related Services	36.2	35.2	35.2	35.7	45.5	35.4	31.4	35.2	35.2	35.7
General Administration Services	2.0	2.0	2.0	2.0	2.0	6.0	6.0	6.0	6.0	6.0
School Administration Services	16.1	16.1	16.1	14.6	16.6	21.0	22.0	24.6	25.0	25.0
Central Services	4.0	4.0	4.0	4.0	4.0	0.1	0.1	0.1	0.1	0.1
Administrative Information Technology	1.3	1.2	2.1	1.4	2.0	1.4	1.0	1.0	1.0	1.0
Plant Operations & Maintenance	17.6	18.4	19.4	21.3	18.3	17.8	18.2	20.2	19.4	18.4
Pupil Transportation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Other Support Services	-	-	-	-	-	-	-	2.4	1.5	-
Food Service	13.0	13.0	14.0	14.0	13.0	13.0	12.0	11.5	12.0	12.5
Total	<u>231.9</u>	<u>236.1</u>	<u>246.2</u>	<u>245.4</u>	<u>240.6</u>	<u>229.1</u>	<u>219.9</u>	<u>238.5</u>	<u>238.2</u>	<u>234.2</u>

Source: District Personnel Records

**WOODSTOWN-PILES GROVE REGIONAL 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	Middle School	Senior High School				
2017	1,550	25,857,409.03	16,684.35	0.04%	145.5	not available			1,550	1,474	-2.87%	95.10%
2016	1,527	25,467,909.00	16,678.39	0.62%	150.1	10.1	10.1	12.1	1,596	1,514	0.26%	94.86%
2015	1,533	25,411,035.00	16,576.02	3.91%	154.7	9.0	12.0	12.0	1,591	1,512	-0.99%	94.98%
2014	1,557	24,838,121.00	15,952.55	10.11%	153.6	9.0	12.0	11.0	1,607	1,535	-3.74%	95.49%
2013	1,628	23,585,797.00	14,487.59	8.35%	150.2	9.0	9.0	8.0	1,670	1,596	-1.74%	95.57%
2012	1,671	22,343,608.00	13,371.40	3.28%	158	10.3	15.1	13.1	1,699	1,632	1.10%	96.04%
2011	1,643	21,271,444.00	12,946.71	-5.83%	153	11.1	11.8	11.6	1,681	1,617	0.90%	96.18%
2010	1,661	22,834,897.00	13,747.68	7.23%	164	10.3	9.9	11.7	1,666	1,597	-3.79%	95.85%
2009	1,721	22,065,056.00	12,821.07	-1.73%	164	11.0	10.5	11.9	1,732	1,662	3.29%	95.99%
2008	1,678	21,891,829.00	13,046.38	1.93%	162	11.1	10.7	11.8	1,676	1,606	0.99%	95.82%

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).

**WOODSTOWN-PIESGROVE REGIONAL 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>										
Mary S. Shoemaker (1958)										
Square Feet	52,853	52,853	52,853	52,853	56,150	56,150	56,150	56,150	56,150	56,150
Capacity (students)	423	423	423	423	457	457	457	457	457	457
Enrollment	419	414	414	415	481	511	490	480	506	495
<u>Middle/High School</u>										
Woodstown Middle School (1950)										
Woodstown High School (1915)										
Square Feet	170,621	170,621	170,621	170,621	161,120	161,120	161,120	161,120	161,120	161,120
Capacity (students)	1,035	1,035	1,035	1,035	1,019	1,019	1,019	1,019	1,019	1,019
Enrollment Middle	266	286	293	293	402	400	382	389	413	412
Enrollment High School	634	671	684	710	745	760	771	792	802	771
Total Enrollment	900	957	977	1,003	1,147	1,160	1,153	1,181	1,215	1,183
<u>Early Childhood Learning Center</u>										
William Riley Early Childhood Center (2013)										
Square Feet	16,856	16,856	16,856	16,856						
Capacity (students)	131	131	131	131						
Enrollment	144	154	142	139						
<u>Other:</u>										
Administration Building (1938)										
Square Feet	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784
Number of Schools at June 30, 2017										
Elementary = 1										
Middle/High School = 1										
Early Childhood Learning Center = 1										
Other = 1										

Source: District Records

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



**WOODSTOWN-PILESGROVE REGIONAL 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	Project # (s)	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>
Mary Shoemaker	N/A	19,817.00	23,711.00	17,727.00	91,337.00	50,762.00	233,210.00	13,029.00	39,537.00	23,943.00	48,989.00
Middle/High School	N/A	59,263.69	116,651.00	106,778.00	141,620.00	170,473.00	412,818.00	45,962.00	110,714.00	138,612.00	129,964.00
Early Childhood Learning Center	N/A	6,900.00	6,458.00	4,236.00	4,865.00	-	-	-	-	-	-
<b>Total School Facilities</b>		<b>85,980.69</b>	<b>146,820.00</b>	<b>128,741.00</b>	<b>237,822.00</b>	<b>221,235.00</b>	<b>646,028.00</b>	<b>58,991.00</b>	<b>150,251.00</b>	<b>162,555.00</b>	<b>178,953.00</b>

\* 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

**WOODSTOWN-PIESGROVE REGIONAL SCHOOL DISTRICT**

Insurance Schedule

June 30, 2017

*Unaudited*

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

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  
Woodstown-Pilesgrove Regional School District  
Woodstown, New Jersey 08098

**Report on Compliance for Each Major Federal and State Program**

We have audited the Woodstown-Pilesgrove Regional School District's, in the County of Salem, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State 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 Woodstown-Pilesgrove Regional School District's, in the County of Salem, 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 Woodstown-Pilesgrove Regional School District, in the County of Salem, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on 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 Woodstown-Piles Grove Regional School District, in the County of Salem, 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.

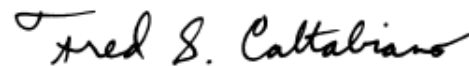
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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  
Certified Public Accountants  
& Consultants



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

Woodbury, New Jersey  
November 30, 2017

**WOODSTOWN-PILES GROVE REGIONAL 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	1605NJ5MAP	N/A	\$ 31,540.00	7/1/2015	6/30/2016	\$ (9,638.00)	
Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	24,003.31	7/1/2016	6/30/2017		
ARRA - Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	1,002.49	4/1/2009	12/31/2010		
Total Medical Assistance Program							(9,638.00)	-
Total General Fund and U.S. Department of Health and Human Services							(9,638.00)	-
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	218,865.00	7/1/2015	6/30/2016	(18,262.00)	\$ (17,435.00)
Title I Grants to Local Educational Agencies	84.010	S010A160030	N/A	232,277.00	7/1/2016	6/30/2017		17,435.00
Total Title I							(18,262.00)	-
Improving Teacher Quality State Grants (Title II)	84.367	S367A150029	N/A	33,631.00	7/1/2015	6/30/2016	(7,131.00)	
Improving Teacher Quality State Grants (Title II)	84.367	S367A160029	N/A	31,134.00	7/1/2016	6/30/2017		
Total Title II							(7,131.00)	-
ARRA - Race to the Top Phase 3 (RTT3)	84.413	B413A120008	N/A	2,976.00	7/1/2016	6/30/2017		
Individuals with Disabilities Education Act (IDEA):								
Special Education Cluster:								
Special Education - Grants to States (IDEA, Part B)	84.027	H027A160100	N/A	316,014.00	7/1/2016	6/30/2017		
Special Education - Preschool Grants (IDEA Preschool)	84.173	H173A150114	N/A	4,470.00	7/1/2015	6/30/2016	(4,469.78)	
Special Education - Preschool Grants (IDEA Preschool)	84.173	H173A160114	N/A	4,615.00	7/1/2016	6/30/2017		
Total IDEA Special Education Cluster							(4,469.78)	-
Career and Technical Education (Perkins IV)	84.048	V048A160030	N/A	8,703.00	7/1/2016	6/30/2017		
Total Special Revenue Fund and U.S. Department of Education							(29,862.78)	-
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	45,472.02	7/1/2016	6/30/2017	4,528.00	
School Breakfast Program	10.553	171NJ304N1099	N/A	17,034.21	7/1/2016	6/30/2017		
School Breakfast Program	10.553	16161NJ304N1099	N/A	18,173.00	7/1/2015	6/30/2016	(1,233.00)	
National School Lunch Program	10.555	171NJ304N1099	N/A	158,774.08	7/1/2016	6/30/2017		
National School Lunch Program	10.555	16161NJ304N1099	N/A	164,068.00	7/1/2015	6/30/2016	(9,272.00)	
Total Child Nutrition Cluster							(5,977.00)	-
Total Enterprise Fund and Total U.S. Department of Agriculture							(5,977.00)	-
Total Federal Financial Assistance							\$ (45,477.78)	\$ -

(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
\$ 9,638.00									
24,003.31	\$ (24,003.31)		\$ (24,003.31)						
1,002.49	(1,002.49)		(1,002.49)						
34,643.80	(25,005.80)	-	(25,005.80)	-	-	-	-	-	-
34,643.80	(25,005.80)	-	(25,005.80)	-	-	-	-	-	-
35,696.00					\$ 1.00				
152,836.00	(196,196.95)		(196,196.95)		(1.00)		\$ (25,926.95)		
188,532.00	(196,196.95)	-	(196,196.95)	-	-	-	(25,926.95)	-	-
7,131.00									
31,134.00	(31,134.00)		(31,134.00)						
38,265.00	(31,134.00)	-	(31,134.00)	-	-	-	-	-	-
2,976.00	(2,976.00)		(2,976.00)						
316,014.00	(316,014.00)		(316,014.00)						
	(4,615.00)		(4,615.00)				(4,469.78)		
316,014.00	(320,629.00)	-	(320,629.00)	-	-	-	(9,084.78)	-	-
8,648.00	(8,256.30)		(8,256.30)					\$ 391.70	
554,435.00	(559,192.25)	-	(559,192.25)	-	-	-	(35,011.73)	391.70	-
40,944.02	(45,472.02)		(45,472.02)						
16,150.43	(17,034.21)		(17,034.21)				(883.78)		
1,233.00									
150,495.08	(158,774.08)		(158,774.08)				(8,279.00)		
9,272.00									
218,094.53	(221,280.31)	-	(221,280.31)	-	-	-	(9,162.78)	-	-
218,094.53	(221,280.31)	-	(221,280.31)	-	-	-	(9,162.78)	-	-
\$ 807,173.33	\$ (805,478.36)	\$ -	\$ (805,478.36)	\$ -	\$ -	\$ -	\$ (44,174.51)	\$ 391.70	\$ -

**WOODSTOWN-PILESGROVE REGIONAL 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	\$ 5,523,895.00	7/1/2016	6/30/2017			
Equalization Aid	495-034-5120-078	5,498,561.00	7/1/2015	6/30/2016	\$ (529,594.00)		
Special Education Categorical Aid	495-034-5120-089	689,961.00	7/1/2016	6/30/2017			
Special Education Categorical Aid	495-034-5120-089	680,616.00	7/1/2015	6/30/2016	(68,062.00)		
Security Aid	495-034-5120-084	140,608.00	7/1/2016	6/30/2017			
Security Aid	495-034-5120-084	138,116.00	7/1/2015	6/30/2016	(13,812.00)		
Adjustment Aid	495-034-5120-085	251,966.00	7/1/2016	6/30/2017			
Adjustment Aid	495-034-5120-085	261,105.00	7/1/2015	6/30/2016	(26,111.00)		
Under Adequacy Aid	495-034-5120-096	13,257.00	7/1/2016	6/30/2017			
Under Adequacy Aid	495-034-5120-096	13,257.00	7/1/2015	6/30/2016	(1,326.00)		
Per Pupil Growth Aid	495-034-5120-097	11,620.00	7/1/2016	6/30/2017			
Per Pupil Growth Aid	495-034-5120-097	11,620.00	7/1/2015	6/30/2016	(1,162.00)		
PARCC Readiness Aid	495-034-5120-098	11,620.00	7/1/2016	6/30/2017			
PARCC Readiness Aid	495-034-5120-098	11,620.00	7/1/2015	6/30/2016	(1,162.00)		
Professional Learning Community Aid	495-034-5120-101	11,560.00	7/1/2016	6/30/2017			
Total State Aid - Public Cluster					(641,229.00)	-	-
Categorical Transportation Aid	495-034-5120-014	358,511.00	7/1/2016	6/30/2017			
Categorical Transportation Aid	495-034-5120-014	358,906.00	7/1/2015	6/30/2016	(35,891.00)		
Non Public Transportation Aid	495-034-5120-014	7,830.00	7/1/2016	6/30/2017			
Non Public Transportation Aid	495-034-5120-014	12,770.00	7/1/2015	6/30/2016	(12,770.00)		
Total Transportation Aid					(48,661.00)	-	-
Extraordinary Special Education Aid	100-034-5120-473	209,062.00	7/1/2016	6/30/2017			
Extraordinary Special Education Aid	100-034-5120-473	124,417.00	7/1/2015	6/30/2016	(124,417.00)		
Total Extraordinary Special Education Aid					(124,417.00)	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	762,596.43	7/1/2016	6/30/2017			
Reimbursed TPAF Social Security Contributions	495-034-5094-003	803,698.00	7/1/2015	6/30/2016	(38,969.00)		
Total Reimbursed TPAF Social Security Contributions					(38,969.00)	-	-
Total General Fund					(853,276.00)	-	-
Special Revenue Fund:							
New Jersey Department of Education:							
Preschool Education Aid	495-034-5120-086	33,000.00	7/1/2016	6/30/2017			
Preschool Education Aid	495-034-5120-086	33,000.00	7/1/2015	6/30/2016	(3,300.00)		
Total Special Revenue Fund / Preschool Education Aid					(3,300.00)	-	-
Capital Projects Fund:							
Education Facilities Construction and Financing Act							
Middle/High School	5910-050-14-1001	7,150,799.00	11/4/2014	6/30/2018	(1,363,539.00)		
Shoemaker School	5910-060-14-1002	787,500.00	11/4/2014	6/30/2018	(418,160.00)		
Total Capital Projects Fund					(1,781,699.00)	-	-
Enterprise Fund:							
New Jersey Department of Agriculture:							
State School Lunch Program	100-010-3350-023	4,630.02	7/1/2016	6/30/2017			
State School Lunch Program	100-010-3350-023	5,076.00	7/1/2015	6/30/2016	(281.00)		
Total Enterprise Fund / New Jersey Department of Agriculture					(281.00)	-	-
Total State Financial Assistance subject to Major Program Determination for State Single Audit					(2,638,556.00)	-	-



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
\$ 4,997,377.34	\$ (5,523,895.00)				\$ (526,517.66)			\$ (526,517.66)	\$ (5,523,895.00)
529,594.00									
624,177.22	(689,961.00)				(65,783.78)			(65,783.78)	(689,961.00)
68,062.00									
127,201.84	(140,608.00)				(13,406.16)			(13,406.16)	(140,608.00)
13,812.00									
227,942.50	(251,966.00)				(24,023.50)			(24,023.50)	(251,966.00)
26,111.00									
11,993.02	(13,257.00)				(1,263.98)			(1,263.98)	(13,257.00)
1,326.00									
10,512.10	(11,620.00)				(1,107.90)			(1,107.90)	(11,620.00)
1,162.00									
10,512.10	(11,620.00)				(1,107.90)			(1,107.90)	(11,620.00)
1,162.00									
10,457.82	(11,560.00)				(1,102.18)			(1,102.18)	(11,560.00)
6,661,402.94	(6,654,487.00)	-	-	-	(634,313.06)	-	-	(634,313.06)	(6,654,487.00)
324,329.06	(358,511.00)				(34,181.94)			(34,181.94)	(358,511.00)
35,891.00	(7,830.00)				(7,830.00)				(7,830.00)
12,770.00									
372,990.06	(366,341.00)	-	-	-	(42,011.94)	-	-	(34,181.94)	(366,341.00)
124,417.00	(209,062.00)				(209,062.00)				(209,062.00)
124,417.00	(209,062.00)	-	-	-	(209,062.00)	-	-	-	(209,062.00)
724,999.52	(762,596.43)				(37,596.91)				(762,596.43)
38,969.00									
763,968.52	(762,596.43)	-	-	-	(37,596.91)	-	-	-	(762,596.43)
7,922,778.52	(7,992,486.43)	-	-	-	(922,983.91)	-	-	(668,495.00)	(7,992,486.43)
29,700.00	(33,000.00)				(3,300.00)			(3,300.00)	(33,000.00)
3,300.00									
33,000.00	(33,000.00)	-	-	-	(3,300.00)	-	-	(3,300.00)	(33,000.00)
4,417,052.00	(3,281,586.23)				(228,073.23)				(3,281,586.23)
557,895.00	(157,764.76)		\$ 0.30		(18,029.46)				(157,764.76)
4,974,947.00	(3,439,350.99)	-	0.30	-	(246,102.69)	-	-	-	(3,439,350.99)
4,385.02	(4,630.02)				(245.00)				(4,630.02)
281.00									
4,666.02	(4,630.02)	-	-	-	(245.00)	-	-	-	(4,630.02)
12,935,391.54	(11,469,467.44)	-	0.30	-	(1,172,631.60)	-	-	(671,795.00)	(11,469,467.44)

**WOODSTOWN-PILESGROVE REGIONAL 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	
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	\$ 984,704.00	7/1/2016	6/30/2017			
Teacher's Pension & Annuity Fund	495-034-5094-002	1,140,474.00	7/1/2016	6/30/2017			
TPAF Non-contributory Insurance	495-034-5094-004	41,322.00	7/1/2016	6/30/2017			
Long-Term Disability Insurance	495-034-5094-004	2,647.00	7/1/2016	6/30/2017			
Total General Fund (Non-Cash Assistance)					-	-	-
Total State Financial Assistance					\$ (2,638,556.00)	\$ -	\$ -

(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.

<u>Cash Received</u>	<u>Total Budgetary Expenditures</u>	<u>Passed- Through to Sub recipients</u>	<u>Adjustments (a)</u>	<u>Repayment of Prior Years' Balances</u>	<u>Balance June 30, 2017</u>			<u>Memo</u>	
					<u>(Accounts Receivable)</u>	<u>Unearned Revenue</u>	<u>Due to Grantor</u>	<u>Budgetary Receivable</u>	<u>Cumulative Total Expenditures</u>
\$ 984,704.00	\$ (984,704.00)								\$ (984,704.00)
1,140,474.00	(1,140,474.00)								(1,140,474.00)
41,322.00	(41,322.00)								(41,322.00)
2,647.00	(2,647.00)								(2,647.00)
2,169,147.00	(2,169,147.00)	-	-	-	-	-	-	-	(2,169,147.00)
\$ 15,104,538.54	\$ (13,638,614.44)	\$ -	\$ 0.30	\$ -	\$ (1,172,631.60)	\$ -	\$ -	\$ (671,795.00)	\$ (13,638,614.44)

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2017

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**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 Woodstown-Pilesgrove Regional 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 capital projects fund are presented on the modified accrual basis of accounting and programs recorded in the enterprise fund are 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, special revenue fund, and capital projects 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. The capital projects fund is presented in the accompanying schedules on the modified accrual basis of accounting.

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

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$8,623.00 for the general fund and (\$14,533.76) 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	\$ 25,005.80	\$ 10,170,256.43	\$ 10,195,262.23
Special Revenue	573,726.01	33,000.00	606,726.01
Capital Projects		3,439,350.99	3,439,350.99
Food Service	<u>221,280.31</u>	<u>4,630.02</u>	<u>225,910.33</u>
Total Awards and Financial Assistance	<u>\$ 820,012.12</u>	<u>\$ 13,647,237.44</u>	<u>\$ 14,467,249.56</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*.

**WOODSTOWN-PILESGROVE REGIONAL 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?   X   yes      no

    Significant deficiency(ies) identified?   X   yes      none reported

Noncompliance material to financial statements noted?      yes   X   no

**Federal Awards**

Internal control over major programs:

    Material weakness(es) identified?      yes   X   no

    Significant deficiency(ies) identified?      yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 516 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>
_____	_____	Child Nutrition Cluster:
10.555	171NJ304N1099	National School Lunch Program
10.553	171NJ304N1099	National School Breakfast Program
_____	_____	IDEA Special Education Cluster:
84.027	H027A160100	Special Education - Grants to States (IDEA, Part B)
84.173	H173A160114	Special Education - Preschool Grants (IDEA Preschool)

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

Auditee qualified as low-risk auditee?      yes   X   no



**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2017

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***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.

**Finding No. 2017-001**

**Criteria or Specific Requirement**

Proper internal controls require the capital asset ledger is updated annually and that a periodically inventory is performed.

**Condition**

A capital asset ledger is not properly maintained.

**Context**

A periodic inventory updating the capital asset ledger was not performed.

**Effect**

Errors could occur and would not be detected in a timely manner.

**Cause**

Failure to properly maintain a capital asset ledger.

**Recommendation**

A capital asset ledger must be properly maintained.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.



**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2017

---

***Section 2- Schedule of Financial Statement Findings (Cont'd)***

**Finding No. 2017-002**

**Criteria or Specific Requirement**

New Jersey Administration Code (NJAC) 6A:26-20.4 requires maintenance expenditures are accounted for by school building.

**Condition**

Required maintenance expenditures are not accounted for by school building in the accounting software.

**Context**

The accounting software does not have sub accounts by school building for budget accounts 11-000-261-420 and 11-000-261-610.

**Effect**

Non-compliance with NJAC 6A:26-20.4.

**Cause**

Failure to track expenditures in the accounting software for budget accounts 11-000-261-420 and 11-000-261-610 by school building.

**Recommendation**

Required maintenance expenditures should be accounted for by school building in the accounting software.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2017

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**Section 2- Schedule of Financial Statement Findings (Cont'd)**

**Finding No. 2017-003**

**Criteria or Specific Requirement**

NJSA 18A:66-90 requires a public employer to reimburse the State Treasury, within 90 days after the close of the fiscal year under audit, reimbursement of the employer's share of pension, group life insurance, social security and other benefits attributable to carrying out the programs financed by the Federal Government involving members of the Teachers' Pension and Annuity Fund.

NJAC 6A:23A-16.10 requires a district board of education shall implement controls over budgeted appropriations.

**Condition**

Reimbursement to the State of New Jersey per NJSA 18A:66-90 for pension and social security – federally funded programs, was not paid within 90 days and it was not charged to the budget before year-end close, thus resulting in an over-expenditure of two budget line items.

**Context**

The calculation was completed timely; however, it was not paid timely or posted to budget line items timely.

**Effect**

Non-compliance with NJSA 18A:66-90 and NJAC 6A:23A-16.10.

**Cause**

Failure of the School District to remit the reimbursement to the State of NJ in a timely manner and post the expenditure to their accounting software.

**Recommendation**

Reimbursements to the State of New Jersey per NJSA 18A:66-90 for pension and social security – federally funded programs, must be paid within 90 days and expenditures should be posted timely and properly to avoid over-expenditures.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2017

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**Section 2- Schedule of Financial Statement Findings (Cont'd)**

**Finding No. 2017-004**

**Criteria or Specific Requirement**

Enterprise funds are used for services provided to the public on a user charge basis, similar to the operation of a commercial enterprise.

**Condition**

The food service enterprise fund has had a deficit net position since at least June 30, 2014.

**Context**

Excluding compensated absence and net pension liabilities, the food service enterprise fund has had a deficit at fiscal year-end as follows:

June 30, 2017	\$23,490.22
June 30, 2016	\$13,325.00
June 30, 2015	\$20,775.00
June 30, 2014	\$36,696.00

**Effect**

Non-compliance with purpose of an enterprise fund and overstatement of the School District's general fund surplus.

**Cause**

Failure to budget an appropriation in the general fund budget to cover any enterprise fund deficit.

**Recommendation**

Procedure should be implemented to prevent a deficit net position in the food service enterprise fund.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2017

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**Section 2- Schedule of Financial Statement Findings (Cont'd)**

**Finding No. 2017-005**

**Criteria or Specific Requirement**

Proper internal controls require the accounting software reports are in agreement with the School District's financial statements and grant expenditure reports.

**Condition**

Capital Projects Fund 30 accounting software reports were not in agreement with the School District's financial statements and the expenditures reported on the School Development Authority (SDA) grants reimbursement requests.

**Context**

\$26,670.25 was transferred from the 2012 referendum to the 2014 referendum in the accounting software.

\$13,303.40 was transferred from the 2014 middle/high school referendum question to the 2014 shoemaker school referendum question.

June 30, 2016 financial statements show 2012 referendum balance of \$92,087 (\$470,037 - \$377,950), however beginning balance in accounting software was \$26,982.75.

Comparison of expenditures per accounting software to SDA grant reimbursement request revealed some vendors were omitted with no explanation as to why.

**Effect**

Errors could occur and would not be detected in a timely manner.

**Cause**

Failure to properly maintain Capital Project Fund 30 records.

**Recommendation**

Capital Projects Fund 30 accounting software reports must be in agreement with the School District's financial statements and the expenditures reported on the SDA grants reimbursement requests.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2017

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***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.

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

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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**

No Prior Year Findings.

**FEDERAL AWARDS**

**Finding No. 2016-001**

**Program**

Title I (CFDA No. 84.010)

**Condition**

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

**Current Status**

The condition has been resolved.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

No Prior Year Findings.