

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Wyckoff, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Wyckoff Township Public Schools

Wyckoff, New Jersey

For The Fiscal Year Ended June 30, 2017

Prepared by

The Business Office

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INTRODUCTORY SECTION



Wyckoff School District

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Richard D. Kuder, Ed.D.
Superintendent of Schools

Patricia A. Salvati, CPA
School Business Administrator/Board Secretary

September 28, 2017

Honorable President, Members of the School
District, and Citizens of Wyckoff Township
Wyckoff Township Public School District
Wyckoff, New Jersey 07481

Dear Board Members:

The comprehensive annual financial report of the Wyckoff Township Public School District (the "Board" or the "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 Wyckoff Township Public 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 various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditor's Report, Management's Discussion and Analysis, and basic financial statements including the government-wide financial statements presented in accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments". The basic financial statements also include individual fund financial statements, Notes to the Financial Statements and Required Supplementary Information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES: The Wyckoff Township Public School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 13. All funds of the District are included in this report. The Wyckoff Township Public School District and all of its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, as well as special education for handicapped youngsters. The District completed the 2016/2017 fiscal year with an average daily enrollment of 2,058 students, which reflects a decrease of .008% over the previous year's enrollment.

The following details the changes in the average daily enrollment of the District, net of special education out of district placements, over the last ten years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2016-2017	2,058	(0.82)%
2015-2016	2,075	(1.43)%
2014-2015	2,105	8.51
2013-2014	1,940	(8.27)
2012-2013	2,115	(6.21)
2011-2012	2,255	(3.05)
2010-2011	2,326	(1.48)
2009-2010	2,361	(1.25)
2008-2009	2,391	1.27
2007-2008	2,361	0.13

ECONOMIC CONDITION AND OUTLOOK: The Township of Wyckoff is a stable, vibrant, residential community, located approximately 27 miles from New York City that encompasses an area of approximately seven square miles with a total population of approximately 16,500. The Township's location affords residents employment opportunities throughout the deep and diverse New York City and northern New Jersey economies. The Township's unemployment rate, at 4.2% in June 2016, has historically trended below county, state, and national levels according to Standard & Poor's "RatingsDirect on the Global Credit Portal".

The above cited Standard & Poor's report also stated that the Township's tax base is sizable and stable. The Township underwent a revaluation of its property in 2015. The total assessed value (AV) for fiscal 2017 is \$4.67 billion, or \$271,400 per capita, which represents an increase of 0.4% over the fiscal 2016 amount of \$4.65 billion. Residential properties account for 93% of AV, and the median home value is \$782,700.

The District continues to find itself in a strong economic position as indicated by its AA+ long-term rating and school issuer credit rating from Standard & Poor's Ratings Services. For the current school year, on a budgetary basis, the district's General Fund ended the year with a fund balance of \$6,088,229 which represented a decrease of \$47,398 over the prior year. The \$6.08 million balance represents 16.09% of the General Fund's current year's expenditures of \$37.79 million (budgetary basis), net of the

State's on-behalf TPAF and Social Security payments of \$4.81 million. As a result of this large surplus the district will be required, due to a 2% cap limitation imposed by the State, to put \$950,000 of its surplus into a Restricted Fund Balance category that will be utilized by the district as a revenue funding source in its 2018-2019 budget. In addition, \$947,362 of the surplus was utilized as a revenue funding source in its 2017-2018 budget.

The District's primary funding source is property tax revenue. The amount to be raised in taxes is determined by the Wyckoff Board of Education without voter approval through the District's normal budgeting process and, under P.L. 2011, c202 that the Wyckoff Board of Education implemented for the 2012-2013 year, is limited to a cap of 2%.

The district's strong fund balance position and the ability to guarantee the adoption of prudent budgets, will enable the District to continue to provide its students with a high quality educational program while still remaining within the limits of a 2% tax levy cap that has been imposed by the State.

MAJOR INITIATIVES:

Capital Improvements –

The Wyckoff Public School District continues to invest significant resources into improving its infrastructure. The following projects were completed during the 2016-2017 year: Air Conditioning Installation and Unit Ventilator Replacement at Washington Elementary School, Bathroom Renovations at Washington Elementary School, and the STEM Lab at the Eisenhower Middle School was completed in December 2016, totaling \$1.47 million.

Curriculum -

The Wyckoff Public School District continuously focuses on strengthening practices and programs. Over the past year, our evidence-based research practices have supported our efforts to make significant improvements to our educational community.

We have continued to keep our focus aligned to three large umbrella areas, namely *Curriculum and Instruction, Cultivating a Connected Community, and Climate and Culture: Building a Caring Community*. In the area of Curriculum and Instruction, the focus is on meeting the needs of diverse learners.

Mathematics, STEM, and science instruction was a focus for the 2016-2017 school year. The Next Generation Science Standards implementation of new units of study fully begins fall, 2017. The Middle School Science teachers continued to refine their science curriculum, which also reflects the Next Generation Science Standards (NGSS). STEM work is being implemented, based upon updated/new curriculum.

Instructional coaches continue to align curriculum to the New Jersey Student Learning Standards (NJSLS), 1:1 initiative for all students in grades 3-8. Students and teachers continue to grow their knowledge with the use of Google Apps, Google Team Drive, and Google applications.

In the area of Climate and Culture: Building a Caring Community, district elementary schools continue to learn and implement Responsive Classroom practices to promote social emotional wellness. The administrative team will engage in RC professional development this fall. The middle school refined its work with Advisory. The staff will receive professional development in the area of cultural competency across the 2017-2018 school year.

Finally, the change to the grades four and five schedules to departmentalize the schedule has maximized instructional time to allow teachers to concentrate their efforts in one, two, or three subject areas.

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 statement 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 state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Annual appropriated budgets are adopted for the General, Special Revenue, and the Debt Service Funds. Project-length budgets are approved for the capital improvements and are 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30.

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 the "Notes to the Financial Statements".

OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, & Higgins, LLP, CPAs, was selected by the School District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the New Jersey OMB Circular 15-08. The auditor's report on the basic financial statements, combining and individual fund statements and schedules 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.

Facilities - The District's ongoing upgrades to all of its buildings ensures that its physical plant is able to accommodate the District's current and anticipated future student population needs, and meet all current building safety standards and building codes. The District deems the current available capital reserve funds adequate to meet future capital needs as they arise.

Long-Term Financial Planning – The District intends to prepare future budgets within the two percent tax cap levy mandated by the State of New Jersey. Additionally, the District continually monitors its ability to refinance its outstanding long-term obligations to capitalize on favorable market conditions.

Projected Enrollment – The District undertook a demographic study in conjunction with other contiguous school districts in May 2016 that projects future enrollments. The study indicates that the enrollment beginning with the 2017/18 school year will be declining based on birth rates of the prior five years.

AWARDS: The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2016. This was the 14th consecutive year that the District applied for and received the award. This Certificate of Excellence is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Excellence, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

The Wyckoff Public School District and its teaching staff enjoy a long history of recognition for excellence including National Blue Ribbon Status, Benchmark School status (BCEE), and Lab School status (NJOE). Its most recent recognitions are as follows:

In 2013 Sicomac Elementary School was one of only 57 schools in the State to be named a “Reward School” by the State Department of Education for demonstrating a high overall level of performance on State tests.

In 2014 the Student Council of Coolidge School received the National Award for Excellence in the area of Community Service by the National Association of Elementary School Principals Foundation.

In 2014 Washington Elementary School was one of only 39 schools in the State to be named a “Reward School” by the State Department of Education for demonstrating a high overall level of performance on State tests.

In 2016 Eisenhower Middle School was one of 30 schools nationwide named as a School to Watch by the National Forum for Accelerating Middle Reform.

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Richard Kuder".

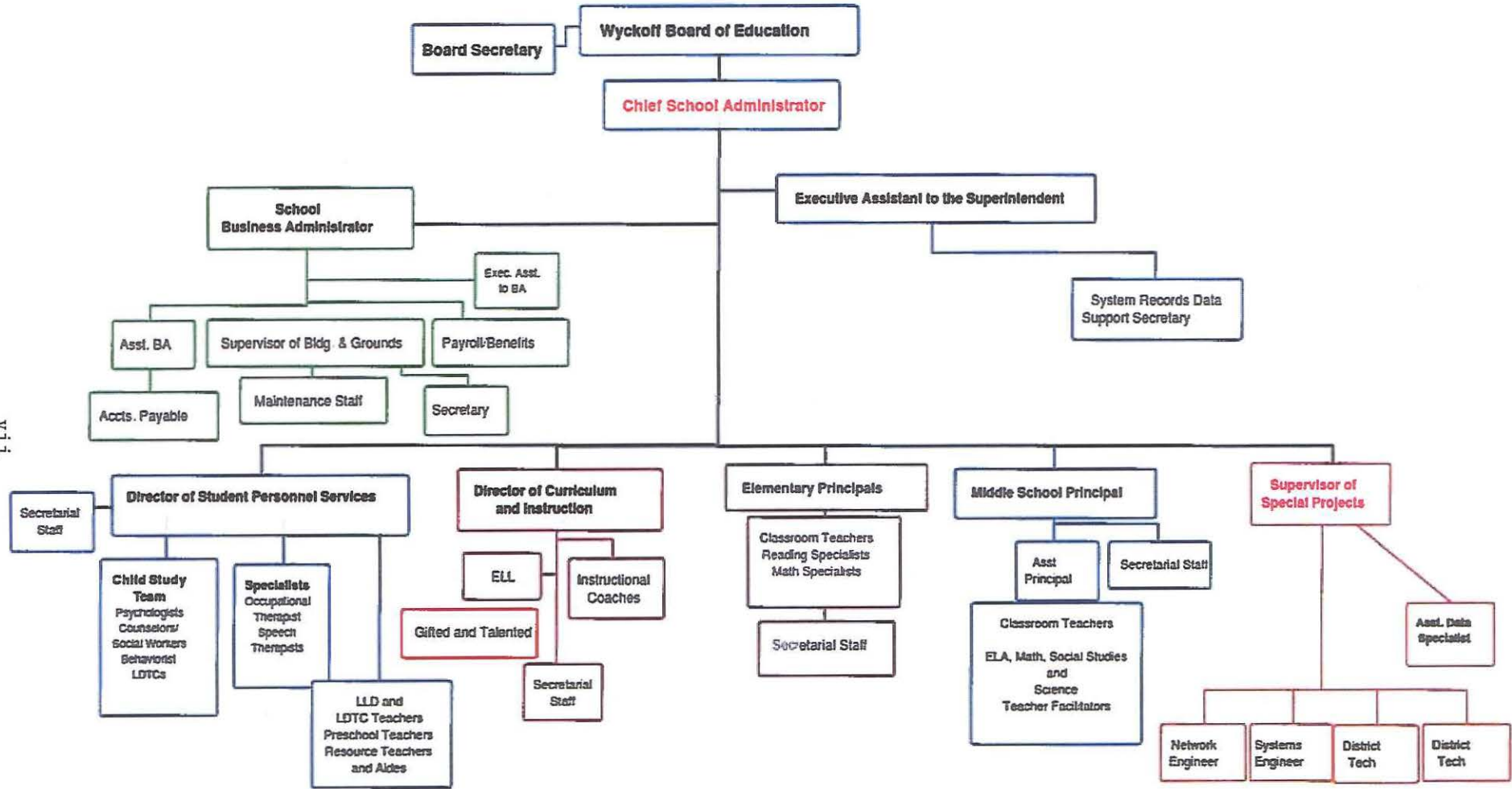
Richard Kuder, Ed.D.
Superintendent of Schools

A handwritten signature in blue ink, appearing to read "Patricia Salvati".

Patricia A. Salvati, CPA
Board Secretary/School
Business Administrator

WYCKOFF TOWNSHIP PUBLIC SCHOOLS ORGANIZATIONAL CHART

T.T.A



**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
WYCKOFF, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2017**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Anthony R. Francin, President	January 2018
Lisa Martone, Vice President	January 2018
Frederic Farcy	January 2019
Georgina Nico	January 2019
Christopher Della Pietra	January 2020
Timothy Murtha	January 2020
Daniel McHugh	January 2020

Other Officials

Dr. Richard Kuder	Superintendent of Schools
Patricia A. Salvati	Board Secretary / School Business Administrator

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
WYCKOFF, NEW JERSEY**

Consultants and Advisors

Architect

DiCara & Rubino
30 Galesi Dr.
Wayne, NJ 07470

Audit Firm

Lerch, Vinci & Higgins, LLP
17-17 Route 208
Fair Lawn, New Jersey 07410

Attorney

Fogarty & Hara
21-00 Route 208 South
Fair Lawn, NJ 07410

Official Depositories

Capital One Bank
840 Franklin Avenue
Franklin Lakes, NJ 07417



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting
is presented to**

Wyckoff Township Public Schools

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in blue ink, appearing to read 'Anthony N. Dragona'.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in blue ink, appearing to read 'John D. Musso'.

John D. Musso, CAE
Executive Director

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLOSI, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Wyckoff Township Public Schools
Wyckoff, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wyckoff Township Public Schools, as of and for the fiscal year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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 Wyckoff Township Public Schools as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information 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 Wyckoff Township Public Schools' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Wyckoff Township Public Schools.

The combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards and schedule of expenditures of 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 combining and individual nonmajor fund financial statements, 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, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

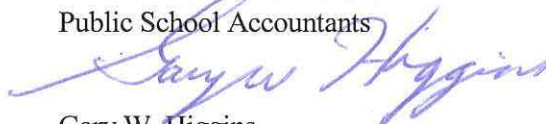
In accordance with Government Auditing Standards, we have also issued our report dated September 28, 2017 on our consideration of the Wyckoff Township Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the effectiveness of the Wyckoff Township Public Schools' 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 Wyckoff Township Public Schools' internal control over financial reporting and compliance.



LERCH, VINCI & HIGGINS, LLP

Certified Public Accountants

Public School Accountants



Gary W. Higgins

Public School Accountant

PSA Number CS00814

Fair Lawn, New Jersey
September 28, 2017

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

The discussion and analysis of the Wyckoff Township Public Schools' (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, Notes to the Financial Statements as well as the financial statements themselves to enhance their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required and Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments".

Financial Highlights

- The assets and deferred outflows of resources of the Wyckoff Township Public Schools exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$14,885,162 (net position).
- The District's total net position decreased \$185,248. The decrease is attributable to current year operating results.
- General revenues accounted for \$37,938,473 in revenue or 70 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions and capital grants accounted for \$15,887,106 or 30 percent of total revenues of \$53,825,579.
- The District had \$53,442,329 in expenses related to governmental activities; only \$15,298,057 was offset by program specific charges for services, grants or contributions. General revenues net of transfers (primarily property taxes) of \$37,893,378 were adequate to provide for these programs.
- Among governmental funds, the General Fund (GAAP Basis) had \$42,521,752 in revenues and other financing sources and \$42,645,542 in expenditures and other financing uses. The General Fund's fund balances decreased by \$123,790. The Debt Service Fund's fund balance decreased by \$4,046. These decreases are the net result of current year operations.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Overview of the Financial Statements

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

The discussion and analysis are intended to serve as an introduction to the Wyckoff Township Public Schools District's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The *government-wide financial statements* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds. In the case of the Wyckoff Township Public Schools, the General Fund is by far the most significant fund.

Government-Wide Financial Statements

One of the most important questions asked about the District is "How did we do financially during the fiscal year ended June 30, 2017?" The *Statement of Net Position* and the *Statement of Activities*, which appear first in the District's financial statements, report information on the District as a whole and its activities in such a way as to answer this question. These statements include all assets, deferred outflows/inflows of resources and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental Activities – most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extra-curricular activities.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Government-Wide Financial Statements (Continued)

- Business-Type Activities – These services are provided on a charge for goods or services basis to recover the cost of the goods and services provided. The District's food service, summer enrichment, pay to participate, social club and chromebook programs are each reported as a business-type activity.

Fund Financial Statements

Fund financial statements provide detailed information about the District's many funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the General Fund, Special Revenue Fund, and Debt Service Fund. The District's Enterprise Fund includes the Food Services Fund, Summer Enrichment Fund, Pay-to-Participate Fund, Social Club Fund and Chromebook Program Fund. These funds are more fully explained in the *Notes to the Financial Statements*.

Government Funds

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

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in statements for the District as a whole.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and fund financial statements.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Other Information

In addition to the basic financial statements, this report also presents certain *required supplementary information* concerning the District's budget process. The District adopts an annual expenditure budget for the General, Special Revenue and Debt Service Funds. A budgetary comparison statement has been provided for each of these funds as required supplementary information. Additionally, certain required supplementary information regarding pensions as required by GASB 68 is presented. The required supplementary information can be found following the Notes to the Financial Statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons if required.

Government-Wide Financial Analysis

The *Statement of Net Position* provides the perspectives of the District as a whole, showing assets and deferred outflows of resources versus liabilities and deferred inflows of resources and the difference between them (net position). Net position may serve over time as a useful indicator of a government's financial position. In the case of the Wyckoff Township Public Schools', assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$14,885,162 and \$15,070,410 at June 30, 2017 and 2016, respectively.

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2017

Government-Wide Financial Analysis (Continued)

Table 1 provides a summary of the District's net position as of June 30, 2017 and 2016.

Table 1
Net Position
as of June 30, 2017 and 2016

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and Other Assets	\$ 6,347,773	\$ 6,182,268	\$ 192,431	\$ 116,344	\$ 6,540,204	\$ 6,298,612
Capital Assets						
Net of Accumulated Depreciation	<u>39,619,690</u>	<u>39,786,340</u>	<u>253,367</u>	<u>260,658</u>	<u>39,873,057</u>	<u>40,046,998</u>
Total Assets	<u>45,967,463</u>	<u>45,968,608</u>	<u>445,798</u>	<u>377,002</u>	<u>46,413,261</u>	<u>46,345,610</u>
Deferred Outflows of Resources						
Deferred Amounts on Refunding of Debt	1,658,482	1,895,740			1,658,482	1,895,740
Deferred Amount on Net Pension Liability	<u>4,433,157</u>	<u>1,292,883</u>	<u>-</u>	<u>-</u>	<u>4,433,157</u>	<u>1,292,883</u>
Total Deferred Outflows of Resources	<u>6,091,639</u>	<u>3,188,623</u>	<u>-</u>	<u>-</u>	<u>6,091,639</u>	<u>3,188,623</u>
Liabilities						
Long-term Liabilities	36,819,949	33,813,726			36,819,949	33,813,726
Other Liabilities	<u>756,208</u>	<u>473,237</u>	<u>43,581</u>	<u>40,431</u>	<u>799,789</u>	<u>513,668</u>
Total Liabilities	<u>37,576,157</u>	<u>34,286,963</u>	<u>43,581</u>	<u>40,431</u>	<u>37,619,738</u>	<u>34,327,394</u>
Deferred Inflows of Resources						
Deferred Amount on Net Pension Liability	<u>-</u>	<u>136,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,429</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>136,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,429</u>
Net Position						
Net Investment in						
Capital Assets	18,666,868	17,769,302	253,367	260,658	18,920,235	18,029,960
Restricted	2,832,343	2,070,244			2,832,343	2,070,244
Unrestricted	<u>(7,016,266)</u>	<u>(5,105,707)</u>	<u>148,850</u>	<u>75,913</u>	<u>(6,867,416)</u>	<u>(5,029,794)</u>
Total Net Position	<u>\$ 14,482,945</u>	<u>\$ 14,733,839</u>	<u>\$ 402,217</u>	<u>\$ 336,571</u>	<u>\$ 14,885,162</u>	<u>\$ 15,070,410</u>

The District's combined net position decreased \$185,248 during the year ended June 30, 2017. This was a decrease of 1.23 percent from the prior year.

Governmental Activities

- Net investment in capital assets increased \$897,566 as the result of acquisitions and debt reductions exceeding depreciation.
- Restricted net position increased \$762,099 as a result of Board approved deposits into the capital reserve exceeding budgeted withdrawals.
- Unrestricted net position decreased \$1,910,559 due to the net results of current year operations.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2017

Government-Wide Financial Analysis (Continued)

Business-Type Activities

- Net investment in capital assets decreased \$7,291 as a result of depreciation exceeding acquisitions of capital assets.
- Unrestricted net position increased \$72,937 due to the net results of current year operations.

Table 2 shows changes in net position for fiscal years ended June 30, 2017 and 2016.

**Table 2
Change in Net Position
for the Fiscal Years Ended June 30, 2017 and 2016**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues:						
Charge for Services	\$ 81,679	\$ 59,451	\$ 589,049	\$ 613,610	\$ 670,728	\$ 673,061
Operating Grants and Contributions	15,216,378	11,560,186			15,216,378	11,560,186
Capital Grants and Contributions		9,292			-	9,292
General Revenues:						
Property Taxes	37,763,120	36,823,325			37,763,120	36,823,325
Other	174,818	153,771	535	225	175,353	153,996
Total Revenues	<u>53,235,995</u>	<u>48,606,025</u>	<u>589,584</u>	<u>613,835</u>	<u>53,825,579</u>	<u>49,219,860</u>
Program Expenses						
Instruction	32,317,911	29,566,689			32,317,911	29,566,689
Support Services:						
Student and Instruction Related Services	9,737,909	8,632,764			9,737,909	8,632,764
General Administration, School Administration, Business/Central, Operations and Maintenance of Facilities	9,781,507	8,858,890			9,781,507	8,858,890
Pupil Transportation	728,400	658,430			728,400	658,430
Interest and Other Charges on Debt	876,602	907,955			876,602	907,955
Food Service, Summer Enrichment, Social Club, Chromebook Program and Pay to Participate	-	-	568,498	626,037	568,498	626,037
Total Expenses	<u>53,442,329</u>	<u>48,624,728</u>	<u>568,498</u>	<u>626,037</u>	<u>54,010,827</u>	<u>49,250,765</u>
Change in Net Position Before Transfers	(206,334)	(18,703)	21,086	(12,202)	(185,248)	(30,905)
Transfers	<u>(44,560)</u>	<u>(13,000)</u>	<u>44,560</u>	<u>13,000</u>	<u>-</u>	<u>-</u>
Change in Net Position	(250,894)	(31,703)	65,646	798	(185,248)	(30,905)
Net Position, Beginning of Year	<u>14,733,839</u>	<u>14,765,542</u>	<u>336,571</u>	<u>335,773</u>	<u>15,070,410</u>	<u>15,101,315</u>
Net Position, End of Year	<u>\$ 14,482,945</u>	<u>\$ 14,733,839</u>	<u>\$ 402,217</u>	<u>\$ 336,571</u>	<u>\$ 14,885,162</u>	<u>\$ 15,070,410</u>

WYCKOFF TOWNSHIP PUBLIC SCHOOLS

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2017

Government-Wide Financial Analysis (Continued)

Governmental Activities

The District's total revenues were \$53,235,995 and \$48,606,025 for the years ended June 30, 2017 and 2016, respectively. Property taxes made up 71 and 76 percent of revenues for governmental activities for the District for fiscal years 2017 and 2016, respectively. Federal, State and local grants made up 29 and 24 percent of revenues for governmental activities for the Wyckoff Township Public Schools for the years ended June 30, 2017 and 2016, respectively. The majority of the increase in revenue from 2016 to 2017 is attributable to an increase in property taxes levied upon the Township's taxpayers and an increase in on-behalf TPAF pension revenue of \$3,072,049 which is offset with the related pension expense.

The total cost of all programs and services was \$53,442,329 and \$48,624,728 for the years ended June 30, 2017 and 2016, respectively. The majority of the increase was the result of recording the increase in the on-behalf TPAF pension expense of \$3,072,049. Instruction comprises 60 and 61 percent of governmental activities program expenses for the years ended June 30, 2017 and 2016, respectively. Support services expenses make up 38 and 37 percent of governmental activities expenses for the years ended June 30, 2017 and 2016, respectively. The *Statement of Activities* shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services for the fiscal years ended June 30, 2017 and 2016. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Total and Net Cost of Governmental Activities
for the Fiscal Year Ended June 30, 2017 and 2016**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Instruction	\$ 32,317,911	\$ 29,566,689	\$ 21,030,908	\$ 20,864,779
Support Services:				
Student and Instructional Related Services	9,737,909	8,632,764	6,881,193	6,572,100
General Administration, School Admin., Business/ Central, Operation and Maintenance of Facilities	9,781,507	8,858,890	8,724,640	8,045,090
Pupil Transportation	728,400	658,430	630,929	605,875
Interest on Debt	<u>876,602</u>	<u>907,955</u>	<u>876,602</u>	<u>907,955</u>
Total Expenses	<u>\$ 53,442,329</u>	<u>\$ 48,624,728</u>	<u>\$ 38,144,272</u>	<u>\$ 36,995,799</u>

Business-Type Activities

The District's business-type activities include the food service operation, summer enrichment program, social club, pay-to-participate program and chromebook program. The programs had revenues and transfers from the General Fund of \$634,144 and \$626,835 and expenses of \$568,498 and \$626,037 in years 2017 and 2016, respectively. Of these revenues, \$589,049 and \$613,610 were charges for services paid by patrons for the years 2017 and 2016, respectively.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$44,824,891 and \$43,278,478 for the years ended June 30, 2017 and 2016, respectively.

Total expenditures amounted to \$45,187,027 and \$43,415,210 for the years ended June 30, 2017 and 2016, respectively.

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

The following schedule presents a comparison of the revenues of the governmental funds for the fiscal years ending June 30, 2017 and 2016.

<u>Revenues</u>	<u>Amount</u>		<u>Increase/(Decrease)</u>	
	<u>2017</u>	<u>2016</u>	<u>Amount</u>	<u>Percent</u>
Local Sources	\$ 38,022,543	\$ 37,060,205	\$ 962,338	2.60%
State Sources	6,233,763	5,680,193	553,570	9.75%
Federal Sources	<u>568,585</u>	<u>538,080</u>	<u>30,505</u>	5.67%
Total	<u>\$ 44,824,891</u>	<u>\$ 43,278,478</u>	<u>\$ 1,546,413</u>	3.57%

The increase in local sources of \$962,338 is the net result of an \$939,795 increase in the overall property tax levy, a decrease of \$1,568 in interest income, and a \$24,111 increase in miscellaneous revenues.

The increase in State sources of \$553,570 is mainly the result of the increase in on-behalf TPAF pension revenue over the prior year.

The increase in Federal sources of \$30,505 is the result of additional grant funds realized.

The following schedule represents a comparison of the governmental funds expenditures for the fiscal years ending June 30, 2017 and 2016.

<u>Expenditures</u>	<u>Amount</u>		<u>Increase/(Decrease)</u>	
	<u>2017</u>	<u>2016</u>	<u>Amount</u>	<u>Percent</u>
Current Expense:				
Instruction	\$ 25,138,584	\$ 24,708,898	\$ 429,686	1.74%
Support Services	16,242,054	15,669,205	572,849	3.66%
Capital Outlay	1,579,857	1,091,444	488,413	44.75%
Debt Service:				
Principal	1,415,344	1,115,000	300,344	26.94%
Interest and Other Charges	<u>811,188</u>	<u>830,663</u>	<u>(19,475)</u>	-2.34%
Total	<u>\$ 45,187,027</u>	<u>\$ 43,415,210</u>	<u>\$ 1,771,817</u>	4.08%

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

The School District's Funds (Continued)

The increase in instruction expenditures of \$429,686 is primarily the result of contractual increases.

General Fund Budgeting Highlights

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

During the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts.

The following schedule represents a comparison of the original and final modified budget amounts.

<u>Expenditures</u>	<u>Original Budget</u>	<u>Final Modified Budget</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
Current Expense:				
Instruction	\$ 16,510,369	\$ 16,456,808	\$ (53,561)	-0.32%
Undistributed	21,444,109	21,569,534	125,425	0.58%
Capital Outlay	<u>1,658,277</u>	<u>1,808,637</u>	<u>150,360</u>	9.07%
 Total	 \$ 39,612,755	 \$ 39,834,979	 \$ 222,224	 0.56%

The increase in the final modified budget of \$222,224 is attributable to the reappropriation of prior year encumbrances.

The following schedule represents a comparison of the final modified budget and actual budget results:

<u>Expenditures</u>	<u>Final Modified Budget</u>	<u>Actual Budget Results</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
Current Expense:				
Instruction	\$ 16,456,808	\$ 16,251,104	\$ (205,704)	-1.25%
Undistributed	21,569,534	24,767,914	3,198,380	14.83%
Capital Outlay	<u>1,808,637</u>	<u>1,626,524</u>	<u>(182,113)</u>	-10.07%
 Total	 \$ 39,834,979	 \$ 42,645,542	 \$ 2,810,563	 7.06%

WYCKOFF TOWNSHIP PUBLIC SCHOOLS

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2017

General Fund Budgeting Highlights (Continued)

The total actual budget results of \$42,645,542 is greater than the total final modified budget of \$39,834,979 by \$2,810,563 and is primarily attributable to the following:

Increases to the actual budget results –

- The On Behalf TPAF Benefits is a statutory, non-budgeted line item resulting in an increase to the actual budget results of \$4,806,270.
- The Supplies Acquired Under Capital Lease is a statutory, non-budgeted line item resulting in an increase to the actual budget results of \$278,860.

Decreases to the actual budget results –

- A decrease in the total amount spent on salaries of \$593,332 mainly due to a savings of \$572,133 in teacher and administrative salaries, primarily the result of the retirements and changes in staff, and \$21,199 from reduced maintenance overtime.
- A decrease in the total amount spent on classroom supplies and textbooks of \$106,404, primarily the result of savings obtained through consortium purchase agreements and reduced textbook needs.
- A decrease in the total amount spent on the improvement of instructional services of \$109,450, primarily the result of a reduction in outside training consultants.
- A decrease in the total amount spent on special education costs of \$199,052, primarily the result of a \$122,699 reduction in out-of-district tuition costs due to an increase in the number of special needs students kept in district; and a decrease of \$76,353 in needed purchased professional education services.
- A decrease in the total amount spent on operation and maintenance of plant services costs of \$444,079, primarily the result of a reduction in purchased repair and maintenance services of \$219,419, due to the utilization of in-house maintenance staff performing routine and complex repairs; a reduction in supply costs of \$98,847, primarily the result of savings obtained through consortium purchase agreements; and energy savings of \$125,813 as a result of a warmer winter than anticipated.
- A decrease in the total amount spent on student transportation services of \$24,749 due to a reduction in out-of-district bussing for special needs students.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

General Fund Budgeting Highlights (Continued)

- A decrease in the total amount spent on employee benefits of \$469,148, primarily the result of a \$382,172 savings in health, prescription, and dental coverages, due to a lower than anticipated increase in premium rates; and a \$29,692 reduced contributions to the Public Employees Retirement System and Social Security as a result of reduced salaries.
- A decrease in the total amount spent on general administration costs of \$74,770 due to a decrease of \$2,409 in legal expense, and a reduction in professional service fees and communication costs of \$27,181 and \$45,180 respectively.
- A decrease in the total amount spent on Capital Outlay of \$182,113, primarily the result of lower than anticipated construction costs of \$132,132
- Overall expenditure savings of \$71,470 primarily the result of prudent spending.

The following schedule represents a comparison of the original budget and actual budget results:

<u>Expenditures</u>	Original	Actual Budget	<u>Increase/(Decrease)</u>	
	<u>Budget</u>	<u>Results</u>	<u>Amount</u>	<u>Percent</u>
Current Expense:				
Instruction	\$ 16,510,369	\$ 16,251,104	\$ (259,265)	-1.57%
Undistributed	21,444,109	24,767,914	3,323,805	15.50%
Capital Outlay	<u>1,658,277</u>	<u>1,626,524</u>	<u>(31,753)</u>	-1.91%
 Total	 <u>\$ 39,612,755</u>	 <u>\$ 42,645,542</u>	 <u>\$ 3,032,787</u>	 7.66%

The increase of \$3,032,787 between the actual budget results and the original budget is derived from the combination of \$222,224 as identified in the above analysis comparing the original budget to the final modified budget and \$2,810,563 identified in the schedule comparing the final modified budget to actual budget results.

Capital Assets

The District's investment in capital assets for its governmental and business-type activities as of June 30, 2017 is \$39,873,057 net of accumulated depreciation. The decrease in capital assets of \$173,941 net of accumulated depreciation, from the period ending June 30, 2016, was the result of depreciation expense being greater than current year capital assets additions. The capital assets consist of land, construction in progress, buildings and building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2016-17 amounted to \$1,767,307 for governmental activities and \$18,154 for business-type activities. Additional information on capital assets may be found in Note 4D to the financial statements.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Capital Assets (Continued)

Table 4
Capital Assets at June 30, 2017 and 2016
(Net of Accumulated Depreciation)

	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land	\$ 323,568	\$ 323,568			\$ 323,568	\$ 323,568
Construction in Progress	962,374	147,873			962,374	147,873
Buildings and Building Improvements	55,332,907	54,737,362	229,249	226,149	55,562,156	54,963,511
Machinery and Equipment	<u>3,186,230</u>	<u>3,063,023</u>	<u>121,178</u>	<u>113,415</u>	<u>3,307,408</u>	<u>3,176,438</u>
Subtotal	59,805,079	58,271,826	350,427	339,564	60,155,506	58,611,390
Less: Accumulated Depreciation	<u>(20,185,389)</u>	<u>(18,485,486)</u>	<u>(97,060)</u>	<u>(78,906)</u>	<u>(20,282,449)</u>	<u>(18,564,392)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 39,619,690</u>	<u>\$ 39,786,340</u>	<u>\$ 253,367</u>	<u>\$ 260,658</u>	<u>\$ 39,873,057</u>	<u>\$ 40,046,998</u>

Long-Term Liabilities

At June 30, 2017 the District had \$35,963,645 of long-term liabilities comprised of capital leases payable, compensated absences, net pension liability and bonds payable for school construction in the amounts of \$268,647, \$1,099,878, \$12,840,120 and \$21,755,000, respectively. At June 30, 2016 the District had \$32,795,948 of long-term liabilities comprised of capital lease payable, compensated absences, net pension liability and bonds payable for school construction in the amounts of \$265,131, \$1,150,438, \$8,485,379 and \$22,895,000, respectively.

Additional information on long-term liabilities may be found in Note 4 of the financial statements.

For the Future

The Wyckoff School district is in good financial condition presently. The District is proud of its community support of the public schools. A major concern of the District is its increasing reliance on property taxes.

In conclusion, the District has committed itself to continue its system of financial planning, budgeting and internal financial controls to meet the challenges of the future.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2017

Contacting the District's Financial Management

This financial report is designed to provide the citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Patricia A. Salvati, Business Administrator/Board Secretary at Wyckoff Township Public Schools, 241 Morse Avenue, Wyckoff, NJ 07481.

FINANCIAL STATEMENTS

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2017

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 6,194,893	\$ 187,252	\$ 6,382,145
Receivables, net			
Receivables from Other Governments	106,376		106,376
Other	46,504	-	46,504
Prepaid Expenses		1,375	1,375
Inventory		3,804	3,804
Capital Assets, net			
Not Being Depreciated	1,285,942		1,285,942
Being Depreciated	<u>38,333,748</u>	<u>253,367</u>	<u>38,587,115</u>
Total Assets	<u>45,967,463</u>	<u>445,798</u>	<u>46,413,261</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	1,658,482		1,658,482
Deferred Amount on Net Pension Liability	<u>4,433,157</u>	<u>-</u>	<u>4,433,157</u>
Total Deferred Outflows of Resources	<u>6,091,639</u>	<u>-</u>	<u>6,091,639</u>
LIABILITIES			
Accounts Payable	524,886	8,123	533,009
Payable to State Government	18,607		18,607
Accrued Interest Payable	180,115		180,115
Unearned Revenue	32,600	35,458	68,058
Noncurrent Liabilities			
Due Within One Year	1,478,537		1,478,537
Due Beyond One Year	<u>35,341,412</u>	<u>-</u>	<u>35,341,412</u>
Total Liabilities	<u>37,576,157</u>	<u>43,581</u>	<u>37,619,738</u>
NET POSITION			
Net Investment in Capital Assets	18,666,868	253,367	18,920,235
Restricted for:			
Capital Projects	2,832,343		2,832,343
Unrestricted	<u>(7,016,266)</u>	<u>148,850</u>	<u>(6,867,416)</u>
Total Net Position	<u>\$ 14,482,945</u>	<u>\$ 402,217</u>	<u>\$ 14,885,162</u>

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
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	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction:							
Regular	\$ 23,990,492		\$ 7,704,104		\$ (16,286,388)		\$ (16,286,388)
Special Education	7,189,764	\$ 57,034	3,139,809		(3,992,921)		(3,992,921)
Other Instruction	978,414		334,040		(644,374)		(644,374)
School Sponsored Activities and Athletics	159,241		52,016		(107,225)		(107,225)
Support Services							
Student and Instruction Related Services	9,737,909		2,856,716		(6,881,193)		(6,881,193)
General Administration Services	1,257,913		102,535		(1,155,378)		(1,155,378)
School Administration Services	3,315,583		742,837		(2,572,746)		(2,572,746)
Business / Central Services	1,108,494		174,577		(933,917)		(933,917)
Plant Operations and Maintenance	4,099,517		36,918		(4,062,599)		(4,062,599)
Pupil Transportation	728,400	24,645	72,826		(630,929)		(630,929)
Debt Service Interest and Other Charges	876,602	-	-	-	(876,602)	-	(876,602)
Total Governmental Activities	53,442,329	81,679	15,216,378	-	(38,144,272)	-	(38,144,272)
Business-Type Activities							
Food Service	473,066	520,667				\$ 47,601	47,601
Summer Enrichment Program	48,057	36,600				(11,457)	(11,457)
Social Club	-	-				-	-
Chromebook Program	1,288	15,787				14,499	14,499
Pay to Participate	46,087	15,995	-	-	-	(30,092)	(30,092)
Total Business-Type Activities	568,498	589,049	-	-	-	20,551	20,551
Total Primary Government	\$ 54,010,827	\$ 670,728	\$ 15,216,378	\$ -	(38,144,272)	20,551	(38,123,721)
General Revenues:							
Property Taxes levied for General Purposes					36,134,172		36,134,172
Property Taxes levied for Debt Service					1,628,948		1,628,948
State Aid - Unrestricted					60,943		60,943
Investment Earnings					5,482	535	6,017
Miscellaneous Income					108,393		108,393
Transfers					(44,560)	44,560	-
Total General Revenues and Transfers					37,893,378	45,095	37,938,473
Change in Net Position					(250,894)	65,646	(185,248)
Net Position, Beginning of year					14,733,839	336,571	15,070,410
Net Position, End of year					\$ 14,482,945	\$ 402,217	\$ 14,885,162

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

FUND FINANCIAL STATEMENTS

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2017

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Assets				
Cash and Cash Equivalents	\$ 6,135,121	\$ 59,772		\$ 6,194,893
Receivables				
Intergovernmental	14,414	91,962		106,376
Other	46,504	-	-	46,504
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 6,196,039	\$ 151,734	\$ -	\$ 6,347,773
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 413,139	\$ 111,747		\$ 524,886
Intergovernmental Payable - State		18,607		18,607
Unearned Revenue	11,220	21,380	-	32,600
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	424,359	151,734	-	576,093
Fund Balances				
Restricted				
Excess Surplus - Designated for Subsequent Year's Expenditures	800,000			800,000
Excess Surplus	950,000			950,000
Capital Reserve	1,375,343			1,375,343
Capital Reserve - Designated for Subsequent Year's Expenditures	1,457,000			1,457,000
Assigned				
Designated for Subsequent Year's Expenditures	147,362			147,362
Year End Encumbrances	330,060			330,060
Unassigned				
General Fund	711,915	-	-	711,915
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	5,771,680	-	-	5,771,680
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 6,196,039	\$ 151,734	\$ -	

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 \$59,805,079 and the accumulated depreciation is \$20,185,389. 39,619,690

The District has financed capital assets through the issuance of bonds. The interest accrual at year end is: (180,115)

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.

Deferred Outflows of Resources 4,433,157

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 1,658,482

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.
 Long-term liabilities at year end consist of the following:

Bonds Payable, Net	\$	(22,611,304)	
Net Pension Liability		(12,840,120)	
Capital Leases Payable		(268,647)	
Compensated Absences		(1,099,878)	
		<hr/>	<hr/>
			(36,819,949)

Net position of governmental activities \$ 14,482,945

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES				
Local Sources				
Property Tax Levy	\$ 36,134,172		\$ 1,628,948	\$ 37,763,120
Interest on Capital Reserve	5,482			5,482
Miscellaneous	190,072	\$ 63,869	-	253,941
	<u>36,329,726</u>	<u>63,869</u>	<u>1,628,948</u>	<u>38,022,543</u>
Total - Local Sources				
State Sources	5,913,166	320,597		6,233,763
Federal Sources	-	568,585	-	568,585
	<u>-</u>	<u>568,585</u>	<u>-</u>	<u>568,585</u>
Total Revenues	<u>42,242,892</u>	<u>953,051</u>	<u>1,628,948</u>	<u>44,824,891</u>
EXPENDITURES				
Current				
Instruction				
Regular Instruction	18,088,284	177,776		18,266,060
Special Education Instruction	5,383,773	595,137		5,978,910
Other Instruction	767,254			767,254
School-Sponsored Activities and Athletics	126,360			126,360
Support Services				
Student and Instruction Related Services	7,649,779	180,138		7,829,917
General Administration Services	990,347			990,347
School Administration Services	2,602,485			2,602,485
Business / Central Services	882,955			882,955
Plant Operations and Maintenance	3,212,575			3,212,575
Pupil Transportation	723,775			723,775
Debt Service:				
Principal	480,344		935,000	1,415,344
Interest and Other Charges	113,194		697,994	811,188
Capital Outlay	1,579,857	-	-	1,579,857
	<u>42,600,982</u>	<u>953,051</u>	<u>1,632,994</u>	<u>45,187,027</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(358,090)</u>	<u>-</u>	<u>(4,046)</u>	<u>(362,136)</u>
OTHER FINANCING SOURCES (USES)				
Capital Lease Proceeds (Non Budget)	278,860			278,860
Transfers Out	(44,560)	-	-	(44,560)
	<u>234,300</u>	<u>-</u>	<u>-</u>	<u>234,300</u>
Total Other Financing Sources and Uses				
Net Change in Fund Balances	(123,790)	-	(4,046)	(127,836)
Fund Balance, Beginning of Year	5,895,470	-	4,046	5,899,516
	<u>5,895,470</u>	<u>-</u>	<u>4,046</u>	<u>5,899,516</u>
Fund Balance, End of Year	<u>\$ 5,771,680</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,771,680</u>

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Total net change in fund balances - governmental funds (Exhibit B-2) \$ (127,836)

Amounts reported for governmental activities in the statement of activities are different because:

Capital Outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital asset additions in the period.

	\$ (1,767,307)	
Depreciation Expense	1,579,857	
Capital Outlays		(187,450)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals and donations) is to increase net position. These transactions are not reported in the governmental funds financial statements.

Donated Capital Assets		20,800
------------------------	--	--------

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. (Note 2)

1,136,484

Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (Note 2)

(1,092,892)

Change in net position of governmental activities

\$ (250,894)

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2017**

	Business-Type Activities Enterprise Fund			<u>Totals</u>
	<u>Food Service Fund</u>	<u>Summer Enrichment Fund</u>	<u>Other Non Major Enterprise Fund</u>	
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 127,190	\$ 24,310	\$ 35,752	\$ 187,252
Prepaid Expenses		1,375		1,375
Inventory	3,804	-	-	3,804
Total Current Assets	<u>130,994</u>	<u>25,685</u>	<u>35,752</u>	<u>192,431</u>
Capital Assets				
Building Improvements	229,249			229,249
Equipment	121,178			121,178
Less: Accumulated Depreciation	<u>(97,060)</u>	<u>-</u>	<u>-</u>	<u>(97,060)</u>
Total Capital Assets, Net	<u>253,367</u>	<u>-</u>	<u>-</u>	<u>253,367</u>
Total Assets	<u>384,361</u>	<u>25,685</u>	<u>35,752</u>	<u>445,798</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	7,908	215	-	8,123
Unearned Revenue	<u>6,653</u>	<u>25,467</u>	<u>3,338</u>	<u>35,458</u>
Total Current Liabilities	<u>14,561</u>	<u>25,682</u>	<u>3,338</u>	<u>43,581</u>
NET POSITION				
Investment in Capital Assets	253,367			253,367
Unrestricted	<u>116,433</u>	<u>3</u>	<u>32,414</u>	<u>148,850</u>
Total Net Position	<u>\$ 369,800</u>	<u>\$ 3</u>	<u>\$ 32,414</u>	<u>\$ 402,217</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-Type Activities Enterprise Fund			Totals
	Food Service Fund	Summer Enrichment Fund	Other Non Major Enterprise Funds	
OPERATING REVENUES				
Charges for Services				
Daily Sales	\$ 518,501			\$ 518,501
Other	2,166			2,166
Program Fees	-	\$ 36,600	\$ 31,782	68,382
	<u>520,667</u>	<u>36,600</u>	<u>31,782</u>	<u>589,049</u>
OPERATING EXPENSES				
Cost of Sales	205,748			205,748
Salaries and Employee Benefits	171,453	43,625	24,047	239,125
Supplies and Materials	14,999	4,432	8,068	27,499
Management Fee	36,911			36,911
Purchased Professional Services	21,682		15,260	36,942
Miscellaneous	4,119		-	4,119
Depreciation	18,154	-	-	18,154
	<u>473,066</u>	<u>48,057</u>	<u>47,375</u>	<u>568,498</u>
Operating Income/(Loss)	<u>47,601</u>	<u>(11,457)</u>	<u>(15,593)</u>	<u>20,551</u>
NONOPERATING REVENUES/EXPENSES				
Interest on Deposits	535	-	-	535
	<u>535</u>	<u>-</u>	<u>-</u>	<u>535</u>
Net Income/ (Loss) Before Operating Transfers	<u>48,136</u>	<u>(11,457)</u>	<u>(15,593)</u>	<u>21,086</u>
Operating Transfers				
Transfers In	-	11,460	33,100	44,560
Change in Net Position	48,136	3	17,507	65,646
Total Net Position, Beginning of Year	<u>321,664</u>	<u>-</u>	<u>14,907</u>	<u>336,571</u>
Total Net Position, End of Year	<u>\$ 369,800</u>	<u>\$ 3</u>	<u>\$ 32,414</u>	<u>\$ 402,217</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-Type Activities			Totals
	Enterprise Fund			
	Food Service Fund	Summer Enrichment Fund	Other Non Major Enterprise Fund	
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 521,322	\$ 33,402	\$ 35,120	\$ 589,844
Cash Payments for Employees' Salaries and Benefits	(171,453)	(43,625)	(24,047)	(239,125)
Cash Payments to Suppliers for Goods and Services	(279,623)	(5,592)	(23,328)	(308,543)
Net Cash Provided (Used) by Operating Activities	70,246	(15,815)	(12,255)	42,176
Cash Flows from Noncapital Financing Activities				
Cash Received from Other Funds	-	11,460	38,600	50,060
Net Cash Provided by Noncapital Financing Activities	-	11,460	38,600	50,060
Cash Flows from Capital and Related Financing Activities				
Acquisition of Capital Assets	(10,863)	-	-	(10,863)
Net Cash Used by Capital and Related Financing Activities	(10,863)	-	-	(10,863)
Cash Flows from Investing Activities				
Interest on Deposits	535	-	-	535
Net Cash Provided by Investing Activities	535	-	-	535
Net Increase (Decrease) in Cash and Cash Equivalents	59,918	(4,355)	26,345	81,908
Cash and Cash Equivalents, Beginning of Year	67,272	28,665	9,407	105,344
Cash and Cash Equivalents, End of Year	\$ 127,190	\$ 24,310	\$ 35,752	\$ 187,252
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities				
Operating Income (Loss)	\$ 47,601	\$ (11,457)	\$ (15,593)	\$ 20,551
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities				
Depreciation	18,154			18,154
Change in Assets and Liabilities				
Increase/(Decrease) in Accounts Payable	3,026	215	-	3,241
Increase/(Decrease) in Unearned Revenue	(231)	(3,198)	3,338	(91)
(Increase)/Decrease in Other Accounts Receivable	655			655
(Increase)/Decrease in Prepaid Expense		(1,375)		(1,375)
(Increase)/Decrease in Inventory	1,041	-	-	1,041
Total Adjustments	22,645	(4,358)	3,338	21,625
Net Cash Provided (Used) by Operating Activities	\$ 70,246	\$ (15,815)	\$ (12,255)	\$ 42,176

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2017**

	<u>Unemployment Compensation Trust Fund</u>	<u>Scholarship Fund</u>	<u>Agency Fund</u>
ASSETS			
Cash and Cash Equivalents	\$ 840,816	\$ 3,379	\$ 77,165
Total Assets	<u>\$ 840,816</u>	<u>\$ 3,379</u>	<u>\$ 77,165</u>
LIABILITIES			
Payable to Student Groups			\$ 41,622
Accrued Salaries and Wages			18
Payroll Deductions and Withholdings			35,525
Intergovernmental Payable State	\$ 288	-	-
Total Liabilities	<u>288</u>	<u>-</u>	<u>\$ 77,165</u>
NET POSITION			
Reserved For Scholarships		<u>\$ 3,379</u>	
Held in Trust for Unemployment Claims	<u>\$ 840,528</u>		

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Unemployment Compensation Trust</u>	<u>Scholarship Fund</u>
ADDITIONS		
Contributions		
Employees	\$ 47,950	
Board	<u>10,000</u>	<u>-</u>
Total Contributions	<u>57,950</u>	<u>-</u>
Investment Earnings		
Interest	<u>3,173</u>	\$ <u>13</u>
Net Investment Earnings	<u>3,173</u>	<u>13</u>
Total Additions	<u>61,123</u>	<u>13</u>
DEDUCTIONS		
Scholarships Awarded		125
Unemployment Claims and Contributions	<u>46,106</u>	<u>-</u>
Total Deductions	<u>46,106</u>	<u>125</u>
Change in Net Position	15,017	(112)
Net Position, Beginning of the Year	<u>825,511</u>	<u>3,491</u>
Net Position, End of the Year	<u>\$ 840,528</u>	<u>\$ 3,379</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Wyckoff Township Public Schools (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of seven elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Wyckoff Township Public Schools this includes general operations, food service, summer enrichment program, chromebook program, pay to participate program, social club program and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2017, the District adopted the following GASB statements as required:

- GASB No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.
- GASB No. 77, *Tax Abatement Disclosures*. The requirements of this Statement will improve financial reporting by providing disclosure of information about the nature and magnitude of tax abatements that will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government’s future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government’s financial position and economic condition.
- GASB No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14. *The Financial Reporting Entity, as amended*.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pension*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That are Not Within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, 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.

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. 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.
- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.
- GASB No. 85, *Omnibus 2017*, will be effective with the fiscal year ending June 30, 2018. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and post-employment benefits (pensions and other post-employment benefits (OPEB)).
- GASB No. 86, *Certain Debt Extinguishment Issues*, will be effective with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.
- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

C. Basis of Presentation - Financial Statements

The financial statements include both government-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate government-wide and fund financial statements are presented, they are interrelated. In the government-wide financial statements, the governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the government-wide financial statements.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Government-wide Financial Statements

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 Board of Education. All fiduciary activities are reported only in the fund financial statements. 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. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services 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, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and food service and summer enrichment enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for teachers and special events.

The *summer enrichment fund* accounts for the activities of the District's summer school program which provides education opportunities beyond the regular school term.

The District reports the following non-major proprietary funds which are organized to be self-supporting through user charges:

The *pay to participate fund* accounts for the activities of the District's extra-curricular activities which provides sports programs.

The *social club fund* accounts for the activities of special needs students which provides for the learning of interrelation skills.

The *chromebook program fund* accounts for the activities of student purchased insurance on district issued computers.

Additionally, the government reports the following fund types:

The *fiduciary trust fund* is used to account for resources legally held in trust for the state unemployment insurance claims, for private donations for scholarship awards, payroll related activities and student related activities which are supported and controlled by student organizations and clubs. All resources of the fund, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, tuition, transportation fees, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Outflows of Resources, and Net Position/Fund Balance

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. Receivables

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows of Resources, and Net Position/Fund Balance (Continued)

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased.

4. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Building Improvements	10-40
Machinery and Equipment	5-25

6. Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amounts on refunding of debt which results from the loss on a debt refunding reported in the government-wide statement of net position. Deferred amounts on debt refunding result from the loss on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the government-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

7. *Compensated Absences*

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the government-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

8. *Pensions*

In the government-wide financial statements, 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 retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. 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.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

9. *Long-Term Obligations*

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Losses resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported including the unamortized bond premium.

10. *Net Position/Fund Balance*

Government-Wide Statements

In the government-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

10. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2016 audited excess surplus that was appropriated in the 2017/2018 original budget certified for taxes. (See Note 3C)

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2017 audited excess surplus that is required to be appropriated in the 2018/2019 original budget certified for taxes. (See Note 3C)

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 3B.)

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2017/2018 District budget certified for taxes. (See Note 3B)

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2017/2018 District budget certified for taxes.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

Amounts reported as program revenues in the government-wide statement of activities include 1) charges to customers or applicants for goods or services, 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, unrestricted state aid, investment earnings and miscellaneous revenues.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

2. *Property Taxes*

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual “in rem” tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. *Tuition Revenues and Expenditures*

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2015-2016 and 2016-2017 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

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. The principal operating revenues of the food service enterprise fund, the summer enrichment enterprise fund, social club enterprise fund, chromebook enterprise fund and pay to participate enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$1,136,484 difference are as follows:

Debt issued or incurred:	
Capital lease financing	\$ (278,860)
Principal repayments:	
Bonds Payable	1,140,000
Capital Lease Payable	<u>275,344</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,136,484</u>

Another element of that reconciliation states that “Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds”. The details of this \$(1,092,892) difference are as follows:

Compensated absences	\$50,560
Accrued interest	10,370
Amortization of deferred charge on refunding	(237,258)
Amortization of bond premiums	161,474
Net Pension Expense	<u>(1,078,038)</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$(1,092,892)</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education (“the Department”), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district’s annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On February 13, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2016/2017. Also, during 2016/2017 the Board increased the original budget by \$600,407. The increase was funded by additional grant awards and the reappropriation of prior year general fund encumbrances.

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

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

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

The activity of the capital reserve for the fiscal year ended June 30, 2017 is as follows:

Balance, July 1, 2016		\$ 2,066,198
Increased by:		
Interest earnings	\$ 5,482	
Deposits Approved by Board Resolution	<u>1,181,871</u>	
		1,187,353
Withdrawals:		
Approved in District Budget	<u>421,208</u>	
Total Withdrawals		<u>421,208</u>
Balance, June 30, 2017		<u>\$ 2,832,343</u>

The District has appropriated \$1,457,000 of the Capital Reserve as a withdrawal in the 2017/18 Budget.

C. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2017 is \$1,750,000. Of this amount, \$800,000 was designated and appropriated in the 2017/2018 original budget certified for taxes and the remaining amount of \$950,000 will be appropriated in the 2018/2019 original budget certified for taxes.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2017, the book value of the Board's deposits were \$7,303,505 and bank and brokerage firm balances of the Board's deposits amounted to \$7,874,037. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ <u>7,874,037</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2017 none of the Board's bank balances were exposed to custodial credit risk.

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2017, the Board had no outstanding investments.

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2017 for the district's individual major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Receivables:			
Intergovernmental			
Federal		\$ 91,962	\$ 91,962
State	\$ 14,414		14,414
Other	<u>46,504</u>	<u>-</u>	<u>46,504</u>
Gross Receivables	60,918	91,962	152,880
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 60,918</u>	<u>\$ 91,962</u>	<u>\$ 152,880</u>

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Total</u>
General Fund	
Tuition and Subscription Busing Deposits	\$ 11,220
Special Revenue Fund	
Unencumbered Grant Draw Downs	<u>21,380</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 32,600</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, July 1, 2016	Increases	Decreases	Adjustments	Balance, June 30, 2017
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 323,568				\$ 323,568
Construction in progress	147,873	\$ 1,403,736	-	\$ (589,235)	962,374
Total capital assets, not being depreciated	<u>471,441</u>	<u>1,403,736</u>	<u>-</u>	<u>(589,235)</u>	<u>1,285,942</u>
Capital assets, being depreciated:					
Buildings and Building Improvements	54,737,362	6,310		589,235	55,332,907
Machinery and equipment	3,063,023	190,611	\$ (67,404)	-	3,186,230
Total capital assets being depreciated	<u>57,800,385</u>	<u>196,921</u>	<u>(67,404)</u>	<u>589,235</u>	<u>58,519,137</u>
Less accumulated depreciation for:					
Buildings and Building Improvements	(16,556,067)	(1,505,433)			(18,061,500)
Machinery and equipment	(1,929,419)	(261,874)	67,404	-	(2,123,889)
Total accumulated depreciation	<u>(18,485,486)</u>	<u>(1,767,307)</u>	<u>67,404</u>	<u>-</u>	<u>(20,185,389)</u>
Total capital assets, being depreciated, net	<u>39,314,899</u>	<u>(1,570,386)</u>	<u>-</u>	<u>589,235</u>	<u>38,333,748</u>
Governmental activities capital assets, net	<u>\$ 39,786,340</u>	<u>\$ (166,650)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,619,690</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2017</u>
Business-Type Activities:				
Capital assets, being depreciated:				
Building Improvements	\$ 229,249			\$ 229,249
Machinery and equipment	<u>110,315</u>	\$ 10,863	-	<u>121,178</u>
Total capital assets being depreciated	<u>339,564</u>	<u>10,863</u>	-	<u>350,427</u>
Less accumulated depreciation for:				
Building Improvements	(21,749)	(9,998)		(31,747)
Machinery and equipment	<u>(57,157)</u>	<u>(8,156)</u>	-	<u>(65,313)</u>
Total accumulated depreciation	<u>(78,906)</u>	<u>(18,154)</u>	-	<u>(97,060)</u>
Total capital assets, being depreciated, net	<u>260,658</u>	<u>(7,291)</u>	-	<u>253,367</u>
Business-type activities capital assets, net	<u>\$ 260,658</u>	<u>\$ (7,291)</u>	<u>\$ -</u>	<u>\$ 253,367</u>

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

Governmental Activities:

Instruction		
Regular		\$ 896,753
Special Education		31,027
Total Instruction		<u>927,780</u>
Support Services		
Student and Instruction Related Services		94,388
General Administration Services		86,187
Plant Operations and Maintenance		658,602
Pupil Transportation		<u>350</u>
Total Support Services		<u>839,527</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 1,767,307</u>
Business-Type Activities:		
Food Service Fund		<u>\$ 18,154</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Transfers

Interfund transfers

	<u>Transfer In:</u>		<u>Total</u>
	<u>Pay to Participate Fund</u>	<u>Summer Enrichment Fund</u>	
<u>Transfer Out:</u>			
General Fund	\$ 33,100	\$ 11,460	\$ 44,560
Total transfers out	<u>\$ 33,100</u>	<u>\$ 11,460</u>	<u>\$ 44,560</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

F. Leases

Capital Leases

The District is leasing computers totaling \$543,991 under capital leases. The leases are for terms of 3 years.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017 were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2018	\$ 188,268
2019	<u>93,226</u>
Total minimum lease payments	281,494
Less: amount representing interest	<u>(12,847)</u>
Present value of minimum lease payments	<u>\$ 268,647</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2017 are comprised of the following issues:

\$3,535,000, 2010 School Energy Savings Obligation Bonds, due in annual installments of \$220,000 to \$350,000 through March 15, 2025, interest at 4.00% to 5.00%	\$2,265,000
\$9,485,000, 2012 Refunding School Bonds, due in annual installments of \$900,000 to \$1,165,000 through April 1, 2025, interest at 3.00% to 4.00%	8,300,000
\$12,440,000, 2013 Refunding School Bonds, due in annual installments of \$70,000 to \$1,660,000 through April 1, 2032, interest at 2.00% to 4.00%	<u>11,190,000</u>
Total	<u>\$21,755,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2018	\$ 1,190,000	\$ 762,294	\$ 1,952,294
2019	1,245,000	713,894	1,958,894
2020	1,305,000	663,144	1,968,144
2021	1,355,000	609,794	1,964,794
2022	1,430,000	554,207	1,984,207
2023-2027	7,400,000	1,986,773	9,386,773
2028-2032	<u>7,830,000</u>	<u>718,500</u>	<u>8,548,500</u>
Total	<u>\$ 21,755,000</u>	<u>\$ 6,008,606</u>	<u>\$ 27,763,606</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2017 was as follows:

3% of Equalized Valuation Basis (Municipal)	\$ 134,715,927
Less: Net Debt	<u>21,755,000</u>
Remaining Borrowing Power	<u>\$ 112,960,927</u>

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2017, was as follows:

	<u>Balance, July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, June 30, 2017</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable	\$ 22,895,000		\$ 1,140,000	\$ 21,755,000	\$ 1,190,000
Unamortized Premium	<u>1,017,778</u>	-	<u>161,474</u>	<u>856,304</u>	-
	23,912,778	-	1,301,474	22,611,304	1,190,000
Capital Leases Payable	265,131	\$ 278,860	275,344	268,647	178,549
Net Pension Liability	8,485,379	4,739,889	385,148	12,840,120	
Compensated absences	<u>1,150,438</u>	-	<u>50,560</u>	<u>1,099,878</u>	<u>109,988</u>
Governmental activity Long-term liabilities	<u>\$ 33,813,726</u>	<u>\$ 5,018,749</u>	<u>\$ 2,012,526</u>	<u>\$ 36,819,949</u>	<u>\$ 1,478,537</u>

For the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated by the general fund.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG). The Group is a risk sharing public entity pool, established for the purpose of insuring against various risks.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

NESBIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the insurance fund are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

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

<u>Fiscal</u> <u>Year Ended</u> <u>June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2017	\$ 10,000	\$ 47,950	\$ 46,106	\$ 840,528
2016	9,579	47,062	45,394	825,511
2015		46,042	33,463	811,410

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2017, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2017, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage. PERS is a cost sharing multi-employer defined benefit pension plan.

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage. TPAF is a cost sharing plan with special funding situations.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected, certain appointed officials, and certain Board employees not eligible for enrollment in PERS or TPAF. Effective July 1, 2007 membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Funding Status and Funding Progress

As of July 1, 2015, the most recent actuarial valuation date, the aggregate funded ratio for the State administered TPAF and local PERS retirement systems, is 28 percent with an unfunded actuarial accrued liability of \$108.6 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded TPAF system is 22.33 percent and \$79.0 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS is 40.14 percent and \$29.6 billion, respectively.

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2015 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.65 percent and (b) projected salary increases applied through the year 2026 of 1.65-5.15 percent based on age for the PERS and varying percentages based on experience for TPAF.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.06% for PERS, 7.06% for TPAF and 5.50% for DCRP of the employee's annual compensation.

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 *Accounting for Pensions by State and Local Government Employees*, for the fiscal year ended June 30, 2017 for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Annual Pension Costs (APC) (Continued)

During the fiscal years ended June 30, 2017, 2016 and 2015 the Board was required to contribute for PERS and DCRP and the State of New Jersey was required to contribute for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended June 30,	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2017	\$ 385,148	\$ 1,931,690	\$ 2,574
2016	324,980	1,398,179	6,881
2015	307,604	940,910	8,234

In addition for fiscal year 2016/2017 the District contributed \$3,856 for PERS and the State contributed \$4,282 for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 24. The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the government-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,260,761 during the fiscal year ended June 30, 2017 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the government-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 24.

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

Public Employees Retirement System (PERS)

At June 30, 2017, the District reported in the statement of net position (accrual basis) a liability of \$12,840,120 for its proportionate share of the PERS 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 that date. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2016, the District's proportionate share was 0.04335 percent, which was an increase of 0.00555 percent from its proportionate share measured as of June 30, 2015 of 0.03780 percent.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2017, the District recognized in the government-wide statement of activities (accrual basis) pension expense of \$1,463,186 for PERS. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 238,787	
Changes of Assumptions	2,659,787	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	489,605	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>1,044,978</u>	<u>\$ -</u>
Total	<u>\$ 4,433,157</u>	<u>\$ -</u>

At June 30, 2017, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2018	\$ 985,323
2019	985,323
2020	985,323
2021	985,323
2022	491,865
Thereafter	<u>-</u>
	<u>\$ 4,433,157</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Inflation Rate	3.08%
Salary Increases:	
Through 2026	1.65-4.15% Based on Age
Thereafter	2.65-5.15% Based on Age
Investment Rate of Return	7.65%
Mortality Rate Table	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad US Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex US	5.00%	-0.25%
REIT	5.25%	5.63%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2017	June 30, 2016	3.98%

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2034
Municipal Bond Rate *	From July 1, 2034 and Thereafter

* The municipal bond return rate used is 2.85% as of the measurement date of June 30, 2016. The source is 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.

Sensitivity of Net Pension Liability

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 3.98%, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.98 percent) or 1-percentage-point higher (4.98 percent) than the current rate:

	1% Decrease (<u>2.98%</u>)	Current Discount Rate (<u>3.98%</u>)	1% Increase (<u>4.98%</u>)
District's Proportionate Share of the PERS Net Pension Liability	\$ 15,734,068	\$ 12,840,120	\$ 10,450,915

The sensitivity analysis was based on the proportionate share of the District's net pension liability at June 30, 2016. A sensitivity analysis specific to the District's net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2017, the District recognized in the government-wide statement of activities (accrual basis) pension expense of \$10,321,994 for TPAF. This amount has been included in the government-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 24.

At June 30, 2017 the State's proportionate share of the net pension liability attributable to the District is \$137,377,313. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2016. At June 30, 2016, the state's share of the net pension liability attributable to the District was 0.17463 percent, which was an increase of 0.00059 percent from its proportionate share measured as of June 30, 2015 of 0.17404 percent.

Actuarial Assumptions

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.65%

Assumptions for mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational bases based on a 60-year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.39%
US Government Bonds	1.50%	1.28%
US Credit Bonds	13.00%	2.76%
US Mortgages	2.00%	2.38%
US Inflation-Indexed Bonds	1.50%	1.41%
US High Yield Bonds	2.00%	4.70%
US Equity Market	26.00%	5.14%
Foreign-Developed Equity	13.25%	5.91%
Emerging Markets Equity	6.50%	8.16%
Private Real Estate Property	5.25%	3.64%
Timber	1.00%	3.86%
Farmland	1.00%	4.39%
Private Equity	9.00%	8.97%
Commodities	0.50%	2.87%
Hedge Funds - MultiStrategy	5.00%	3.70%
Hedge Funds - Equity Hedge	3.75%	4.72%
Hedge Funds - Distressed	3.75%	3.49%

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

<u>Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2017	June 30, 2016	3.22%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

Period of Projected Benefit

Payments for which the Following Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2029
Municipal Bond Rate *	From July 1, 2029 and Thereafter

* The municipal bond return rate used is 2.85% as of the measurement date of June 30, 2016. The source is 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.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 3.22% as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.22 percent) or 1-percentage-point higher (4.22 percent) than the current rate:

	1% Decrease <u>(2.22%)</u>	Current Discount Rate <u>(3.22%)</u>	1% Increase <u>(4.22%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 164,059,212</u>	<u>\$ 137,377,313</u>	<u>\$ 115,588,099</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2016. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2016 was not provided by the pension system.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for school districts. The Plans are classified as either single employer plans or cost sharing multiple employer defined benefit plans depending on the plan the eligible employee is covered under.

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF-Local are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 584 state and local participating employers and contributing entities for Fiscal Year 2016.

The State of New Jersey sponsors and administers the following health benefit programs covering certain state and local government employees, including those Board employees and retirees eligible for coverage.

Health Benefits Program Fund (HBPF) – Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides paid coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides paid coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for state paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Basis of Accounting

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

Significant Legislation

P.L. 2011, c.78, effective October 2011, sets new employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to this new legislation's effective date with a minimum contribution required to be at least 1.5% of salary.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

Funded Status and Funding Progress

As of July 1, 2015, the most recent actuarial valuation date, the State had a \$84.3 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$25.9 billion for state active and retired members and \$41.6 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The funded status and funding progress of the OPEB includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2015, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2016, there were 110,512 , retirees receiving post-retirement medical benefits and the State contributed \$1.37 billion on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (ABP) who retired 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 SEHBP. That report may be obtained from the Treasury website at: <http://www.nj.gov/treasury/pensions/pdf/financial/2015divisioncombined.pdf>.

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2017, 2016 and 2015 were \$1,609,537, \$1,664,845 and \$1,493,695, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
REVENUES					
Local Sources					
Local Tax Levy	\$ 36,134,172		\$ 36,134,172	\$ 36,134,172	
Tuition from Individuals	14,700		14,700	56,140	\$ 41,440
Tuition from Other LEAs Within the State				894	894
Transportation Fees from Individuals	13,300		13,300	24,645	11,345
Interest on Capital Reserve Funds				5,482	5,482
Rentals and Royalties	1,000		1,000	10,505	9,505
Sale of Property	1,000		1,000	46,453	45,453
Miscellaneous	14,520		14,520	51,435	36,915
Total Local Sources	<u>36,178,692</u>	<u>-</u>	<u>36,178,692</u>	<u>36,329,726</u>	<u>151,034</u>
State Sources					
Categorical Special Education Aid	745,645		745,645	745,645	
Categorical Security Aid	37,516		37,516	37,516	
Categorical Transportation Aid	59,410		59,410	59,410	
PARCC Readiness Aid	21,080		21,080	21,080	
Per Pupil Growth Aid	21,080		21,080	21,080	
Professional Learning Community Aid	20,410		20,410	20,410	
Extraordinary Aid				263,733	263,733
Additional Nonpublic School Transportation Aid				14,414	14,414
TPAF Social Security Contributions (Non-Budgeted)				1,260,761	1,260,761
On Behalf TPAF Pension-Post Retirement Medical Contribution (Non-Budgeted)				1,609,537	1,609,537
On Behalf TPAF Pension - Normal (Non-Budgeted)				1,864,148	1,864,148
On Behalf TPAF Pension - NCGI (Non-Budgeted)				67,542	67,542
On Behalf TPAF Pension - Long Term Disability Insurance (Non-Budgeted)				4,282	4,282
Total State Sources	<u>905,141</u>	<u>-</u>	<u>905,141</u>	<u>5,989,558</u>	<u>5,084,417</u>
Total Revenues	<u>37,083,833</u>	<u>-</u>	<u>37,083,833</u>	<u>42,319,284</u>	<u>5,235,451</u>
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers:					
Kindergarten	785,459	\$ 70,523	855,982	853,343	2,639
Grades 1-5	6,616,381	(5,995)	6,610,386	6,381,826	228,560
Grades 6-8	4,253,435	(20,050)	4,233,385	4,110,770	122,615
Regular Programs-Home Instruction					
Salaries of Teachers	18,225	-	18,225	10,080	8,145
Purchased Prof. - Educational Services	3,100	-	3,100		3,100
Other Purchased Services	210	-	210		210
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	196,937	5,135	202,072	195,878	6,194
Purchased Prof. - Educational Services	5,200	-	5,200	3,690	1,510
Purchased Technical Services	3,650	9,318	12,968	11,623	1,345
Other Purchased Services	211,030	4,650	215,680	214,858	822
Supplies Acquired Under Capital Lease (Non Budget)				278,860	(278,860)
General Supplies	768,457	(60,132)	708,325	649,757	58,568
Textbooks	76,800	(11,000)	65,800	49,326	16,474
Other Objects	2,520	-	2,520	1,177	1,343
Total Regular Programs	<u>12,941,404</u>	<u>(7,551)</u>	<u>12,933,853</u>	<u>12,761,188</u>	<u>172,665</u>
Special Education					
Learning/Language Disabilities					
Salaries of Teachers	315,239	2,630	317,869	313,459	4,410
Other Salaries for Instruction	312,664	1,085	313,749	313,749	-
Other Purchased Services	850	-	850		850
General Supplies	8,500	(825)	7,675	6,191	1,484
Total Learning/Language Disabilities	<u>637,253</u>	<u>2,890</u>	<u>640,143</u>	<u>633,399</u>	<u>6,744</u>

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

CURRENT EXPENDITURES (Continued)	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
Special Education (Continued)					
Resource Room/Resource Center					
Salaries of Teachers	\$ 2,010,570	\$ (64,045)	\$ 1,946,525	\$ 1,942,347	\$ 4,178
Other Purchased Services	8,000	1,500	9,500	5,059	4,441
General Supplies	23,030	(7,615)	15,415	11,819	3,596
Total Resource Room/Resource Center	2,041,600	(70,160)	1,971,440	1,959,225	12,215
Preschool Disabilities - Full-Time					
Salaries of Teachers	164,377	1,495	165,872	165,592	280
Other Salaries for Instruction	71,289	(115)	71,174	70,449	725
Other Purchased Services	800	(800)			-
General Supplies	5,500	(580)	4,920	4,920	-
Total Preschool Disabilities - Full-Time	241,966	-	241,966	240,961	1,005
Total Special Education	2,920,819	(67,270)	2,853,549	2,833,585	19,964
Basic Skills/Remedial					
Salaries of Teachers	442,808	822	443,630	443,630	-
General Supplies	20,000	(1,822)	18,178	17,116	1,062
Total Basic Skills/Remedial	462,808	(1,000)	461,808	460,746	1,062
Bilingual Education					
Salaries of Teachers	61,331	-	61,331	61,331	-
General Supplies	3,000	(1,000)	2,000	771	1,229
Other Objects	1,000	-	1,000	538	462
Total Bilingual Education	65,331	(1,000)	64,331	62,640	1,691
School Sponsored Cocurricular Activities					
Salaries	84,963	2,400	87,363	78,632	8,731
Purchased Services	4,000	-	4,000	2,958	1,042
Supplies and Materials	7,344	-	7,344	6,795	549
Total School Sponsored Cocurricular Activities	96,307	2,400	98,707	88,385	10,322
Total Instruction	16,486,669	(74,421)	16,412,248	16,206,544	205,704

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures					
Instruction:					
Tuition to Other LEA's Within the State-Regular		\$ 20,855	\$ 20,855	\$ 20,852	\$ 3
Tuition to Other LEA's Within the State-Special	\$ 841,878	(246,122)	595,756	535,456	60,300
Tuition to CSSD and Regional Day Schools	291,816	(50,623)	241,193	198,960	42,233
Tuition to Priv. Sch. for the Disabled-Within State	248,378	206,228	454,606	434,443	20,163
Total Undistributed Expenditures- Instruction	1,382,072	(69,662)	1,312,410	1,189,711	122,699
Attendance and Social Work					
Salaries	62,756	-	62,756	62,188	568
Total Attendance and Social Work	62,756	-	62,756	62,188	568
Health Services					
Salaries	470,867	1,765	472,632	459,773	12,859
Purchased Professional and Technical Services	19,900	252	20,152	12,444	7,708
Other Purchased Services	3,175	(35)	3,140	1,395	1,745
Supplies and Materials	9,240	2,960	12,200	9,716	2,484
Other Objects	269	-	269	173	96
Total Health Services	503,451	4,942	508,393	483,501	24,892
Speech, OT, PT & Related Services					
Salaries	623,864	(66,335)	557,529	545,223	12,306
Purchased Professional-Educational Services	79,362	108,200	187,562	123,914	63,648
Supplies and Materials	8,700	(360)	8,340	8,185	155
Other Objects	3,320	(790)	2,530	2,482	48
Total Speech, OT, PT & Related Services	715,246	40,715	755,961	679,804	76,157
Other Support Services-Students-Extra. Services					
Salaries	709,976	84,010	793,986	784,912	9,074
Purchased Professional-Educational Services	340,099	(34,265)	305,834	299,701	6,133
Supplies and Materials	4,000	2,525	6,525	6,462	63
Other Objects	919	11,150	12,069	10,788	1,281
Total Other Support Services-Students-Extra Serv	1,054,994	63,420	1,118,414	1,101,863	16,551
Guidance					
Salaries of Other Professional Staff	681,648	-	681,648	605,758	75,890
Salaries of Secretarial and Clerical Assistants	74,474	-	74,474	74,416	58
Other Salaries	19,320	-	19,320	18,294	1,026
Purchased Professional-Educational Services	9,000	1,100	10,100	7,787	2,313
Other Purchased Services	1,225	-	1,225	987	238
Supplies and Materials	4,020	-	4,020	1,997	2,023
Other Objects	1,734	(100)	1,634	129	1,505
Total Guidance	791,421	1,000	792,421	709,368	83,053

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Child Study Teams					
Salaries of Other Professional Staff	\$ 557,786	\$ 10,920	\$ 568,706	\$ 568,078	\$ 628
Salaries of Secretarial and Clerical Assistants	85,846	(1,698)	84,148	82,660	1,488
Other Salaries	28,036	(302)	27,734	27,724	10
Purchased Professional-Educational Services	33,950	(3,826)	30,124	17,146	12,978
Other Purchased Professional and Technical Services	49,243	(3,445)	45,798	44,713	1,085
Miscellaneous Purchased Services	16,610	-	16,610	7,574	9,036
Supplies and Materials	9,915	(2,890)	7,025	4,826	2,199
Other Objects	3,895	-	3,895	2,422	1,473
Total Child Study Teams	785,281	(1,241)	784,040	755,143	28,897
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	94,715	4,360	99,075	99,075	-
Salaries of Secretarial and Clerical Assistants	68,207	(580)	67,627	66,756	871
Other Salaries	16,810	1,439	18,249	16,745	1,504
Purchased Professional-Educational Services	107,500	5,201	112,701	75,152	37,549
Other Purchased Services	11,000	-	11,000	4,957	6,043
Supplies and Materials	18,000	4,180	22,180	19,906	2,274
Other Objects	6,000	-	6,000	4,228	1,772
Total Improvement of Instructional Services	322,232	14,600	336,832	286,819	50,013
Educational Media Services/School Library					
Salaries	412,262	(722)	411,540	407,182	4,358
Salary of Technology Coordinators	437,755	352	438,107	438,107	-
Purchased Professional and Technical Services	328,055	45,006	373,061	322,258	50,803
Other Purchased Services	161,950	(10,516)	151,434	146,721	4,713
Supplies and Materials	49,185	(64)	49,121	43,678	5,443
Other Objects	252	-	252	154	98
Total Educational Media Services/School Library	1,389,459	34,056	1,423,515	1,358,100	65,415
Instructional Staff Training Services					
Salaries of Other Professional Staff	62,164	13,667	75,831	75,828	3
Other Purchased Services	25,000	7,140	32,140	29,257	2,883
Total Instructional Staff Training Services	87,164	20,807	107,971	105,085	2,886
Support Services-General Administration					
Salaries	462,072	(7,470)	454,602	429,655	24,947
Legal Services	86,000	24,505	110,505	108,096	2,409
Audit Fees	33,500	23,760	57,260	29,560	27,700
Architectural/Engineering Services	5,000	7,090	12,090	-	12,090
Other Purchased Professional Services	13,375	(863)	12,512	10,816	1,696
Purchased Technical Services	3,000	-	3,000	325	2,675
Communications/Telephone	24,700	21,450	46,150	34,558	11,592
BOE Other Purchased Services	3,050	-	3,050	704	2,346
Misc. Purchased Services	71,695	(1,220)	70,475	57,232	13,243
General Supplies	4,710	2,630	7,340	6,811	529
BOE In House Training/Meeting Supplies	500	119	619	619	-
Miscellaneous Expenditures	10,890	(1,091)	9,799	9,622	177
BOE Membership Dues and Fees	15,815	-	15,815	15,502	313
Total Support Services- General Administration	734,307	68,910	803,217	703,500	99,717

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Support Services- School Administration					
Salaries of Principals/Assistant Principals	\$ 1,123,189	\$ 1,324	\$ 1,124,513	\$ 1,122,930	\$ 1,583
Salaries of Secretarial and Clerical Assistants	583,502	-	583,502	573,805	9,697
Purchased Professional and Technical Services	7,000	(488)	6,512	5,342	1,170
Other Purchased Services	22,296	(4,739)	17,557	12,035	5,522
Supplies and Materials	33,776	1,215	34,991	29,524	5,467
Other Objects	8,025	1,340	9,365	8,981	384
Total Support Services- School Administration	1,777,788	(1,348)	1,776,440	1,752,617	23,823
Central Services					
Salaries	496,274	(1,000)	495,274	492,960	2,314
Purchased Technical Services	10,600	(1,800)	8,800	7,760	1,040
Misc. Purchased Services	26,040	3,935	29,975	26,567	3,408
Supplies and Materials	9,830	(3,050)	6,780	6,780	-
Other Objects	9,330	850	10,180	8,731	1,449
Total Central Services	552,074	(1,065)	551,009	542,798	8,211
Admin. Info. Tech.					
Salaries	122,100	(64,338)	57,762	42,461	15,301
Purchased Technical Services	26,069	-	26,069	24,877	1,192
Supplies and Materials	1,000	-	1,000	-	1,000
Total Admin. Info. Tech	149,169	(64,338)	84,831	67,338	17,493
Required Maintenance for School Facilities					
Salaries	371,610	22	371,632	350,870	20,762
Cleaning, Repair and Maintenance Services	355,100	46,529	401,629	250,231	151,398
General Supplies	127,500	19,120	146,620	107,471	39,149
Total Required Maintenance for School Facilities	854,210	65,671	919,881	708,572	211,309
Custodial Services					
Salaries	68,615	641	69,256	68,819	437
Salaries of Non-Instructional Aides	125,801	3,669	129,470	118,348	11,122
Cleaning, Repair, & Maintenance Services	1,073,674	(10,350)	1,063,324	1,046,911	16,413
Other Purchased Property Services	94,425	(1,194)	93,231	47,754	45,477
Insurance	125,600	-	125,600	124,406	1,194
Miscellaneous Purchased Services	6,500	-	6,500	1,563	4,937
General Supplies	211,700	(33,914)	177,786	125,114	52,672
Energy (Natural Gas)	314,500	400	314,900	232,237	82,663
Energy (Electricity)	448,100	(47,324)	400,776	357,626	43,150
Energy (Gasoline)	-	8,589	8,589	5,593	2,996
Other Objects	6,000	-	6,000	1,970	4,030
Interest - Energy Savings Impr Prog Bonds	109,625	-	109,625	109,625	-
Principal - Energy Savings Impr Prog Bonds	205,000	-	205,000	205,000	-
Total Custodial Services	2,789,540	(79,483)	2,710,057	2,444,966	265,091
Total Operation and Maintenance of Plant Services	3,643,750	(13,812)	3,629,938	3,153,538	476,400

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Svc.	\$ 43,500	\$ 22,675	\$ 66,175	\$ 61,135	\$ 5,040
General Supplies	11,000	-	11,000	2,520	8,480
Total Care and Upkeep of Grounds	54,500	22,675	77,175	63,655	13,520
Security					
Purchased Professional and Technical Services	9,700	6,040	15,740	13,239	2,501
Cleaning, Repair and Maintenance Svc.	18,000	2,200	20,200	20,059	141
General Supplies	500	1,000	1,500	1,343	157
Other Objects	5,000	-	5,000	4,101	899
Total Security	33,200	9,240	42,440	38,742	3,698
Student Transportation Services					
Salaries for Pupil Transportation (Between Home & School) - Special					
	9,980	142	10,122	10,073	49
Management Fee - ESC & CTSA Trans. Prog.	5,480	386	5,866	5,647	219
Other Purchased Professional and Technical Services	5,000	180	5,180	5,113	67
Contracted Services - Aid in Lieu of Payments	91,900	(20,490)	71,410	70,966	444
Contracted Services(Other Than Between Home and School)-Vendors					
	5,300	2,600	7,900	4,856	3,044
Contracted Services(Btw. Home and Sch.)-Jt. Agreement	186,790	33,098	219,888	207,722	12,166
Contracted Services(Special Ed Students)-Vendors	6,000	1,000	7,000	4,800	2,200
Contracted Services(Special Ed Students)-Joint Agreement	379,414	36,221	415,635	409,075	6,560
General Supplies		104	104	104	-
Other Objects		20	20	20	-
Total Student Transportation Services	689,864	53,261	743,125	718,376	24,749
Unallocated Employee Benefits					
Social Security Contributions	374,049		374,049	367,294	6,755
Other Retirement Contributions - PERS	404,640	(6,325)	398,315	389,004	9,311
Other Retirement Contributions - Regular	16,200		16,200	2,574	13,626
Unemployment Compensation	10,000		10,000	10,000	-
Workers Compensation	192,000		192,000	175,510	16,490
Health Benefits	5,475,248	(57,947)	5,417,301	5,035,129	382,172
Tuition Reimbursements	90,000	2,590	92,590	74,098	18,492
Other Employee Benefits	77,344	4,947	82,291	81,279	1,012
Unused Sick Payment to Terminated/Retired Staff	75,900	-	75,900	54,610	21,290
Total Unallocated Employee Benefits	6,715,381	(56,735)	6,658,646	6,189,498	469,148

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
On Behalf TPAF Pension-Post Retirement Medical Contribution (Non-Budgeted)				\$ 1,609,537	\$ (1,609,537)
On Behalf TPAF Pension - NCGI (Non-Budgeted)				67,542	(67,542)
On Behalf TPAF Pension - Long Term Disability Insurance (Non-Budgeted)				4,282	(4,282)
Reimbursed TPAF Social Security Contributions (Nonbudgeted)				1,260,761	(1,260,761)
On Behalf TPAF Pension - Normal (Non-Budgeted)				1,864,148	(1,864,148)
Total On Behalf TPAF Benefits (Non Budgeted)	-	-	-	4,806,270	(4,806,270)
Total Undistributed Expenditures	\$ 21,444,109	\$ 125,425	\$ 21,569,534	24,767,914	(3,198,380)
Total Current Expenditures	37,930,778	51,004	37,981,782	40,974,458	(2,992,676)
CAPITAL OUTLAY					
Equipment					
Regular - Instruction					
Grades 1-5		2,400	2,400		2,400
Grades 6 - 8	114,000	8,012	122,012	80,730	41,282
Undistributed					
School Administration		14,936	14,936	8,657	6,279
Central Services		6,170	6,170	6,170	-
Custodial Services		96,218	96,218	24,060	72,158
Required Maintenance for School Facilities	7,600	10,600	18,200	18,180	20
Total Equipment	121,600	138,336	259,936	137,797	122,139
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	51,683	39,524	91,207	86,371	4,836
Construction Services	1,421,208	(27,500)	1,393,708	1,338,570	55,138
Assessment for Debt Service on SDA Funding	63,786	-	63,786	63,786	-
Total Facilities Acquisition and Construction Services	1,536,677	12,024	1,548,701	1,488,727	59,974
Total Capital Outlay	1,658,277	150,360	1,808,637	1,626,524	182,113
Total Expenditures	39,589,055	201,364	39,790,419	42,600,982	(2,810,563)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,505,222)	(201,364)	(2,706,586)	(281,698)	2,424,888
Other Financing Sources (Uses)					
Operating Transfers Out:					
Transfer to Cover Deficit - Enterprise Fund	(23,700)	(20,860)	(44,560)	(44,560)	-
Capital Lease Proceeds (Non Budget)	-	-	-	278,860	278,860
Total Other Financing Sources (Uses)	(23,700)	(20,860)	(44,560)	234,300	278,860
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(2,528,922)	(222,224)	(2,751,146)	(47,398)	2,703,748
Fund Balances, Beginning of Year	6,135,627	-	6,135,627	6,135,627	-
Fund Balances, End of Year	\$ 3,606,705	\$ (222,224)	\$ 3,384,481	\$ 6,088,229	\$ 2,703,748

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual Revenue/ Appropriations</u>	<u>Variance Final Budget to Actual</u>
<u>Recapitulation</u>					
Restricted Fund Balance:					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 800,000	
Excess Surplus				950,000	
Capital Reserve				1,375,343	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,457,000	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				147,362	
Year-end Encumbrances				330,060	
Unassigned Fund Balance				<u>1,028,464</u>	
				6,088,229	
Reconciliation to Governmental Fund Statement (GAAP)					
State Aid Payments Not Recognized on GAAP Basis				<u>(316,549)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 5,771,680</u>	

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance-Final Budget to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 231,380	\$ 103,365	\$ 334,745	\$ 317,330	\$ (17,415)
Federal	445,290	180,808	626,098	568,585	(57,513)
Local Sources					
Miscellaneous	-	94,010	94,010	63,869	(30,141)
Total Revenues	<u>676,670</u>	<u>378,183</u>	<u>1,054,853</u>	<u>949,784</u>	<u>(105,069)</u>
EXPENDITURES					
Instruction					
Purchased Professional/Educational Services		4,814	4,814	2,500	2,314
Other Purchased Services	334,930	91,811	426,741	426,741	-
General Supplies		136,300	136,300	89,020	47,280
Textbooks	17,340	6,811	24,151	23,338	813
Total Instruction	<u>352,270</u>	<u>239,736</u>	<u>592,006</u>	<u>541,599</u>	<u>50,407</u>
Support Services					
Purchased Professional/Technical Services	76,970	50,275	127,245	100,323	26,922
Purchased Professional/Educational Services	226,630	79,332	305,962	280,497	25,465
Other Purchased Services	4,800	1,647	6,447	4,242	2,205
Supplies and Materials	7,900	3,193	11,093	11,023	70
Other Objects	8,100	4,000	12,100	12,100	-
Total Support Services	<u>324,400</u>	<u>138,447</u>	<u>462,847</u>	<u>408,185</u>	<u>54,662</u>
Total Expenditures	<u>676,670</u>	<u>378,183</u>	<u>1,054,853</u>	<u>949,784</u>	<u>105,069</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedules (Exhibits C-1 & C-2)	\$ 42,319,284	\$ 949,784
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized (prior year)		3,267
State Aid payments recognized for GAAP Statements not recognized for budgetary purposes (prior year)	240,157	
State Aid payments recognized for budgetary purposes not recognized for GAAP statements (current year)	(316,549)	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 42,242,892</u>	<u>\$ 953,051</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 42,600,982	\$ 949,784
Differences - Budget to GAAP		
Encumbrances for goods and services ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the goods and services are received for financial reporting purposes (prior year).	-	3,267
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 42,600,982</u>	<u>\$ 953,051</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

**PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Four Fiscal Years ***

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.04335%	0.03780%	0.01797%	0.01818%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 12,840,120</u>	<u>\$ 8,485,379</u>	<u>\$ 6,979,610</u>	<u>\$ 6,984,929</u>
District's Covered-Employee Payroll	<u>\$ 2,774,030</u>	<u>\$ 2,834,356</u>	<u>\$ 2,633,293</u>	<u>\$ 2,485,571</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	463%	299%	265%	281%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.92%	52.08%	48.72%

* The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

**PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Four Fiscal Years**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 385,148	\$ 324,980	\$ 307,604	\$ 275,377
Contributions in Relation to the Contractually Required Contributions	<u>385,148</u>	<u>324,980</u>	<u>307,604</u>	<u>275,377</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered- Employee Payroll	<u>\$ 2,774,030</u>	<u>\$ 2,834,356</u>	<u>\$ 2,633,293</u>	<u>\$ 2,485,571</u>
Contributions as a Percentage of Covered-Employee Payroll	13.88%	11.47%	11.68%	11.08%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

TEACHERS PENSION AND ANNUITY FUND

Last Four Fiscal Years *

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	<u>0.17463%</u>	<u>0.17404%</u>	<u>0.17564%</u>	<u>0.16798%</u>
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 137,377,313</u>	<u>\$ 109,999,082</u>	<u>\$ 93,875,902</u>	<u>\$ 84,897,180</u>
Total	<u>\$ 137,377,313</u>	<u>\$ 109,999,082</u>	<u>\$ 93,875,902</u>	<u>\$ 84,897,180</u>
District's Covered-Employee Payroll	<u>\$ 17,889,201</u>	<u>\$ 17,493,826</u>	<u>\$ 17,507,751</u>	<u>\$ 17,298,380</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	22.33%	28.71%	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 5.

SCHOOL LEVEL SCHEDULES

EXHIBITS D-1, D-2 AND D-3

NOT APPLICABLE

SPECIAL REVENUE FUND

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

REVENUES	<u>Title I - Part A</u>	<u>Part B- Title II - Part A</u>	<u>IDEA Part B- Basic</u>	<u>IDEA Part B- Preschool</u>	<u>Non Public Technology</u>	<u>Non Public Security</u>	<u>Local Programs</u>	<u>Total Exhibit E-1 Page 2</u>	<u>Total 2017</u>
Intergovernmental									
Federal	\$ 54,651	\$ 34,911	\$ 455,408	\$ 23,615					\$ 568,585
Local							\$ 63,869		63,869
State	-	-	-	-	\$ 10,824	\$ 21,550	-	\$ 284,956	317,330
Total Revenues	<u>\$ 54,651</u>	<u>\$ 34,911</u>	<u>\$ 455,408</u>	<u>\$ 23,615</u>	<u>\$ 10,824</u>	<u>\$ 21,550</u>	<u>\$ 63,869</u>	<u>\$ 284,956</u>	<u>\$ 949,784</u>
EXPENDITURES									
Instruction									
Purchased Prof. & Educ. Svcs.							\$ 2,500		\$ 2,500
Other Purchased Services			\$ 403,126	\$ 23,615					426,741
General Supplies	\$ 27,651						61,369		89,020
Textbooks	-	-	-	-	-	-	-	\$ 23,338	23,338
Total Instruction	<u>27,651</u>	<u>-</u>	<u>403,126</u>	<u>23,615</u>	<u>-</u>	<u>-</u>	<u>63,869</u>	<u>23,338</u>	<u>541,599</u>
Support Services									
Purchased Professional/Technical Services			52,282			\$ 9,251		38,790	100,323
Purchased Professional/Educational Services	\$ 27,000	\$ 30,669						222,828	280,497
Other Purchased Services		4,242							4,242
Supplies and Materials					\$ 10,824	199			11,023
Other Objects	-	-	-	-	-	12,100	-	-	12,100
Total Support Services	<u>27,000</u>	<u>34,911</u>	<u>52,282</u>	<u>-</u>	<u>10,824</u>	<u>21,550</u>	<u>-</u>	<u>261,618</u>	<u>408,185</u>
Total Expenditures	<u>\$ 54,651</u>	<u>\$ 34,911</u>	<u>\$ 455,408</u>	<u>\$ 23,615</u>	<u>\$ 10,824</u>	<u>\$ 21,550</u>	<u>\$ 63,869</u>	<u>\$ 284,956</u>	<u>\$ 949,784</u>

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Non-Public Supplemental Instruction</u>	<u>Non-Public Examination and Classification</u>	<u>Non-Public Corrective Speech</u>	<u>Non-Public Textbooks</u>	<u>Non-Public Nursing</u>	<u>Non-Public Comp. Education</u>	<u>Non-Public ESL</u>	<u>Non-Public Transportation</u>	<u>Total Exhibit E-1 Page 2</u>
REVENUES									
Intergovernmental									
Federal									
Local									
State	\$ 41,118	\$ 41,789	\$ 21,911	\$ 23,338	\$ 38,790	\$ 100,061	\$ 2,649	\$ 15,300	\$ 284,956
Total Revenues	\$ 41,118	\$ 41,789	\$ 21,911	\$ 23,338	\$ 38,790	\$ 100,061	\$ 2,649	\$ 15,300	\$ 284,956
EXPENDITURES									
Instruction									
Textbooks	-	-	-	\$ 23,338	-	-	-	-	\$ 23,338
Total Instruction	-	-	-	23,338	-	-	-	-	23,338
Support Services									
Purchased Professional/Technical Services					\$ 38,790				38,790
Purchased Professional/Educational Services	\$ 41,118	\$ 41,789	\$ 21,911			\$ 100,061	\$ 2,649	\$ 15,300	222,828
Other Purchased Services									-
Supplies and Materials	-	-	-	-	-	-	-	-	-
Total Support Services	41,118	41,789	21,911	-	38,790	100,061	2,649	15,300	261,618
Total Expenditures	\$ 41,118	\$ 41,789	\$ 21,911	\$ 23,338	\$ 38,790	\$ 100,061	\$ 2,649	\$ 15,300	\$ 284,956

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOT APPLICABLE

CAPITAL PROJECTS FUND

NOT APPLICABLE

ENTERPRISE FUNDS

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 ENTERPRISE FUNDS - NON MAJOR
 STATEMENT OF NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Social Club Fund</u>	<u>Chromebook Program Fund</u>	<u>Pay To Participate Fund</u>	<u>Total Non Major Enterprise Funds</u>
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 3,338	\$ 29,327	\$ 3,087	\$ 35,752
Due from Other Funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Current Assets	3,338	29,327	3,087	35,752
	<hr/>	<hr/>	<hr/>	<hr/>
LIABILITIES				
Current Liabilities				
Unearned Revenue	3,338			3,338
Accounts Payable	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Current Liabilities	3,338	-	-	3,338
	<hr/>	<hr/>	<hr/>	<hr/>
NET POSITION				
Unrestricted	-	29,327	3,087	32,414
	<hr/>	<hr/>	<hr/>	<hr/>
Total Net Position	\$ -	\$ 29,327	\$ 3,087	\$ 32,414
	<hr/>	<hr/>	<hr/>	<hr/>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 ENTERPRISE FUNDS - NONMAJOR
 STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Social Club Fund</u>	<u>Chromebook Program Fund</u>	<u>Pay To Participate Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES				
Charges for Services				
Program Fees	\$ -	\$ 15,787	\$ 15,995	\$ 31,782
Total Operating Revenues	<u>-</u>	<u>15,787</u>	<u>15,995</u>	<u>31,782</u>
OPERATING EXPENSES				
Salaries and Employee Benefits			24,047	24,047
Purchased Professional Services			15,260	15,260
Supplies and Materials		1,288	6,780	8,068
Miscellaneous	-	-	-	-
Total Operating Expenses	<u>-</u>	<u>1,288</u>	<u>46,087</u>	<u>47,375</u>
Operating Income (Loss)	<u>-</u>	<u>14,499</u>	<u>(30,092)</u>	<u>(15,593)</u>
Net Income (Loss) Before Operating Transfers	<u>-</u>	<u>14,499</u>	<u>(30,092)</u>	<u>(15,593)</u>
Operating Transfers				
Transfers In	-	-	33,100	33,100
Change in Net Position	-	14,499	3,008	17,507
Total Net Position, Beginning of Year	<u>-</u>	<u>14,828</u>	<u>79</u>	<u>14,907</u>
Total Net Position, End of Year	<u>\$ -</u>	<u>\$ 29,327</u>	<u>\$ 3,087</u>	<u>\$ 32,414</u>

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
ENTERPRISE FUNDS - NONMAJOR
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Social Club Fund</u>	<u>Chromebook Program Fund</u>	<u>Pay To Participate Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 3,338	\$ 15,787	\$ 15,995	\$ 35,120
Cash Payments for Employees' Salaries and Benefits	-	-	(24,047)	(24,047)
Payments to Suppliers for Goods and Services	-	(1,288)	(22,040)	(23,328)
Net Cash Provided (Used) by Operating Activities	<u>3,338</u>	<u>14,499</u>	<u>(30,092)</u>	<u>(12,255)</u>
Cash Flows from Noncapital Financing Activities				
Cash Received from Other Funds	-	-	38,600	38,600
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>38,600</u>	<u>38,600</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,338	14,499	8,508	26,345
Cash and Cash Equivalents, (Cash Overdraft) Beginning of Year	<u>-</u>	<u>14,828</u>	<u>(5,421)</u>	<u>9,407</u>
Cash and Cash Equivalents, End of Year	<u>\$ 3,338</u>	<u>\$ 29,327</u>	<u>\$ 3,087</u>	<u>\$ 35,752</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ -	\$ 14,499	\$ (30,092)	\$ (15,593)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Change in Assets and Liabilities				
Increase/(Decrease) in Unearned Revenue	<u>3,338</u>	<u>-</u>	<u>-</u>	<u>3,338</u>
Total Adjustments	<u>3,338</u>	<u>-</u>	<u>-</u>	<u>3,338</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,338</u>	<u>\$ 14,499</u>	<u>\$ (30,092)</u>	<u>\$ (12,255)</u>

FIDUCIARY FUNDS

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2017**

	<u>Agency</u>		
	<u>Student</u>		
	<u>Activity</u>	<u>Payroll</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 41,622	\$ 35,543	\$ 77,165
Total Assets	<u>\$ 41,622</u>	<u>\$ 35,543</u>	<u>\$ 77,165</u>
LIABILITIES			
Liabilities			
Accrued Salaries and Wages		\$ 18	\$ 18
Payroll Deductions and Withholdings		35,525	35,525
Payable to Student Groups	<u>\$ 41,622</u>	<u>-</u>	<u>41,622</u>
Total Liabilities	<u>\$ 41,622</u>	<u>\$ 35,543</u>	<u>\$ 77,165</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

THIS STATEMENT IS NOT APPLICABLE

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Balance, July 1, <u>2016</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2017</u>
ELEMENTARY SCHOOLS				
Calvin Coolidge	\$ 3,622	\$ 9,770	\$ 8,186	\$ 5,206
Abraham Lincoln	6,184	11,408	13,668	3,924
George Washington	6,489	28,055	26,690	7,854
Dwight D. Eisenhower	27,558	341,758	347,507	21,809
Sicomac	1,805	6,899	5,875	2,829
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>\$ 45,658</u>	<u>\$ 397,890</u>	<u>\$ 401,926</u>	<u>\$ 41,622</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Balance, July 1, <u>2016</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2017</u>
Accrued Salaries and Wages	\$ 13	\$ 13,145,076	\$ 13,145,071	\$ 18
Payroll Deductions and Withholdings	<u>23,272</u>	<u>11,600,846</u>	<u>11,588,593</u>	<u>35,525</u>
 Total Liabilities	 <u>\$ 23,285</u>	 <u>\$ 24,745,922</u>	 <u>\$ 24,733,664</u>	 <u>\$ 35,543</u>

LONG-TERM DEBT

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>Issue</u>	<u>Date of Bonds</u>	<u>Amount of Bonds</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance July 1, 2016</u>	<u>Retired</u>	<u>Balance, June 30, 2017</u>
			<u>Date</u>	<u>Amount</u>				
School Energy Saving Obligation Bonds	3/4/2010	\$ 3,535,000	3/15/2018	\$ 220,000	5.00%			
			3/15/2019	235,000	5.00%			
			3/15/2020	255,000	5.00%			
			3/15/2021	270,000	5.00%			
			3/15/2022	295,000	4.00%			
			3/15/2023	310,000	4.00%			
			3/15/2024	330,000	4.00%			
			3/15/2025	350,000	4.00%			
					\$ 2,470,000	205,000	\$ 2,265,000	
Refunding School Bonds	2/8/2012	9,485,000	4/1/2018	900,000	4.00%			
			4/1/2019	940,000	4.00%			
			4/1/2020	980,000	4.00%			
			4/1/2021	1,015,000	4.00%			
			4/1/2022	1,060,000	4.00%			
			4/1/2023	1,105,000	3.00%			
			4/1/2024	1,135,000	3.125%			
			4/1/2025	1,165,000	3.25%			
					9,170,000	870,000	8,300,000	

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>Issue</u>	<u>Date of Bonds</u>	<u>Amount of Bonds</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance July 1, 2016</u>	<u>Retired</u>	<u>Balance, June 30, 2017</u>
			<u>Date</u>	<u>Amount</u>				
Refunding School Bonds	3/14/2013	\$ 12,440,000	4/1/2018	\$ 70,000	2.00%			
			4/1/2019	70,000	2.00%			
			4/1/2020	70,000	2.00%			
			4/1/2021	70,000	2.125%			
			4/1/2022	75,000	2.250%			
			4/1/2023	75,000	2.500%			
			4/1/2024	75,000	2.750%			
			4/1/2025	80,000	3.000%			
			4/1/2026	1,360,000	4.000%			
			4/1/2027	1,415,000	4.000%			
			4/1/2028	1,475,000	3.000%			
			4/1/2029	1,520,000	3.000%			
			4/1/2030	1,565,000	3.000%			
			4/1/2031	1,610,000	3.000%			
			4/1/2032	1,660,000	3.000%			
						\$ 11,255,000	\$ 65,000	\$ 11,190,000
						\$ 22,895,000	\$ 1,140,000	\$ 21,755,000

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Interest Rate Payable</u>		<u>Amount of Original Issue</u>	<u>Balance, July 1, 2016</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2017</u>
Apple Computers	2.59	%	\$ 273,591	\$ 265,131	\$ 8,460	\$ 182,118	\$ 91,473
Acer Chromebooks	3.47	%	270,400	-	270,400	93,226	177,174
				<u>\$ 265,131</u>	<u>\$ 278,860</u>	<u>\$ 275,344</u>	<u>\$ 268,647</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 1,628,948	-	\$ 1,628,948	\$ 1,628,948	-
Total Revenues	<u>1,628,948</u>	<u>-</u>	<u>1,628,948</u>	<u>1,628,948</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Interest on Bonds	697,994		697,994	697,994	
Redemption of Principal	935,000	-	935,000	935,000	-
Total Expenditures	<u>1,632,994</u>	<u>-</u>	<u>1,632,994</u>	<u>1,632,994</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,046)</u>	<u>-</u>	<u>(4,046)</u>	<u>(4,046)</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>4,046</u>	<u>-</u>	<u>4,046</u>	<u>4,046</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the Wyckoff Township Public Schools' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Exhibits

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	(Restated)									
Governmental activities										
Net Investment in Capital Assets	\$ 15,320,545	\$ 15,701,360	\$ 16,230,373	\$ 16,615,237	\$ 17,018,359	\$ 16,504,241	\$ 16,915,916	\$ 17,385,986	\$ 17,769,302	\$ 18,666,868
Restricted	828,280	407,178	551,134	1,063,083	1,802,082	2,415,204	2,511,556	2,014,549	2,070,244	2,832,343
Unrestricted	1,025,897	579,150	664,442	1,317,934	980,328	1,665,013	(5,289,907)	(4,634,993)	(5,105,707)	(7,016,266)
Total governmental activities net position	\$ 17,174,722	\$ 16,687,688	\$ 17,445,949	\$ 18,996,254	\$ 19,800,769	\$ 20,584,458	\$ 14,137,565	\$ 14,765,542	\$ 14,733,839	\$ 14,482,945
Business-type activities										
Net Investment in Capital Assets	\$ 15,448	\$ 31,563	\$ 27,420	\$ 44,871	\$ 66,605	\$ 205,110	\$ 189,737	\$ 193,402	\$ 260,658	\$ 253,367
Unrestricted	20,228	109,271	171,448	195,463	209,384	99,126	141,231	142,371	75,913	148,850
Total business-type activities net position	\$ 35,676	\$ 140,834	\$ 198,868	\$ 240,334	\$ 275,989	\$ 304,236	\$ 330,968	\$ 335,773	\$ 336,571	\$ 402,217
Government-wide										
Net Investment in Capital Assets	\$ 15,335,993	\$ 15,732,923	\$ 16,257,793	\$ 16,660,108	\$ 17,084,964	\$ 16,709,351	\$ 17,105,653	\$ 17,579,388	\$ 18,029,960	\$ 18,920,235
Restricted	828,280	407,178	551,134	1,063,083	1,802,082	2,415,204	2,511,556	2,014,549	2,070,244	2,832,343
Unrestricted	1,046,125	688,421	835,890	1,513,397	1,189,712	1,764,139	(5,148,676)	(4,492,622)	(5,029,794)	(6,867,416)
Total district net position	\$ 17,210,398	\$ 16,828,522	\$ 17,644,817	\$ 19,236,588	\$ 20,076,758	\$ 20,888,694	\$ 14,468,533	\$ 15,101,315	\$ 15,070,410	\$ 14,885,162

Note 1 - Net Position at June 30, 2011 is restated to reflect the implementation of GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and GASB Statement No. 65, Items Previously Reported in Assets and Liabilities.

Note 2 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities										
Instruction										
Regular	\$ 16,107,476	\$ 16,213,690	\$ 15,612,686	\$ 15,253,285	\$ 16,760,683	\$ 16,975,717	\$ 17,030,219	\$ 20,148,435	\$ 22,056,382	\$ 23,990,492
Special education	4,200,068	4,259,066	4,811,413	4,980,748	4,856,816	4,997,882	5,405,694	5,907,982	6,518,557	7,189,764
Other instruction	574,986	624,896	741,256	647,680	885,450	885,013	850,106	795,050	850,106	978,414
School Sponsored Activities and Athletics	107,814	95,277	127,192	86,636	97,696	112,200	106,214	129,897	151,644	159,241
Support Services:										
Student and instruction related services	4,903,610	5,046,705	5,477,874	5,545,911	5,662,990	6,347,619	6,772,366	8,188,790	8,632,764	9,757,909
General administration	856,159	856,159	857,667	882,832	1,020,344	1,195,539	1,276,570	1,276,570	1,210,137	1,257,913
School Administration services	2,194,607	2,119,189	2,077,251	2,052,365	2,150,883	2,293,918	2,341,059	2,697,351	2,843,873	3,315,883
Business/Central Services	802,745	1,031,778	831,091	1,055,028	1,070,426	1,318,982	1,192,291	1,197,803	1,083,601	1,108,494
Plant operations and maintenance	3,108,693	3,566,062	3,711,759	3,620,660	3,595,224	3,742,384	3,773,045	3,810,500	3,721,279	4,099,517
Pupil transportation	779,720	751,115	802,943	638,943	621,941	596,484	596,484	658,430	728,400	728,400
Interest on long-term debt	1,163,830	1,046,499	1,118,929	1,187,399	889,290	948,694	948,694	967,955	967,955	876,602
Total governmental activities expenses	34,798,728	35,580,471	36,071,485	36,044,984	37,522,151	39,227,844	40,101,252	45,737,823	48,624,728	52,442,329
Business-type activities:										
Food service	366,476	340,179	401,985	436,633	453,492	474,678	484,735	483,464	516,764	473,066
Summer enrichment program	28,572	26,604	25,421	15,073	32,511	37,324	27,382	27,086	27,086	48,057
Social Club								25,912	32,417	-
Chromebok Program								40,925	6,613	1,388
Pay to Participate	395,048	365,783	473,406	36,574	40,256	49,528	45,623	42,338	42,338	46,887
Total business-type activities expense	35,135,716	35,297,254	36,496,891	36,525,274	38,044,510	39,280,372	40,628,972	46,314,836	49,226,765	54,070,827
Total district expenses	\$ 70,934,444	\$ 70,877,725	\$ 72,568,376	\$ 72,570,258	\$ 75,566,661	\$ 78,508,216	\$ 80,730,224	\$ 92,052,659	\$ 97,851,493	\$ 106,513,156
Program Revenues										
Governmental activities:										
Changes for services:										
Special education	\$ 5,000	\$ 76,376	\$ 81,271	\$ 130,871	\$ 117,912	\$ 146,890	\$ 89,149	\$ 95,685	\$ 40,389	\$ 57,034
Transportation Fees	5,286,436	4,580,985	4,901,736	3,735,795	4,442,219	5,372,266	5,076,834	9,622,415	11,560,186	15,216,378
Operating grants and contributions	1,918,210	6,974	501	9,631	109,234	97,635	97,635	468,416	9,297	9,297
Capital grants and contributions	7,309,646	4,664,335	4,983,508	3,896,297	4,669,365	5,319,136	3,263,618	10,198,884	11,628,529	15,298,057
Total governmental activities program revenues	14,513,292	10,323,670	10,766,516	9,766,594	10,739,726	11,533,927	9,368,236	20,351,406	21,636,307	26,080,765
Business-type activities:										
Changes for services:										
Food service	296,226	297,550	418,821	443,106	452,670	509,962	513,217	507,930	525,715	520,667
Summer enrichment program	36,496	41,390	31,325	15,800	20,764	22,165	20,800	21,568	18,220	36,600
Social Club								28,000	30,659	-
Chromebok Program								13,875	17,175	15,787
Pay to Participate	33,754	32,749	35,079	12,546	17,079	16,756	15,750	13,875	17,175	15,995
Operating grants and contributions	7,676,122	4,716,889	4,882,225	5,097,716	5,488,883	5,488,883	5,488,883	5,488,883	6,131,610	589,449
Total business-type activities program revenues	7,746,598	5,136,024	5,468,733	4,406,073	5,198,478	6,068,079	5,813,485	10,770,257	12,242,539	15,887,106
Total district program revenues	\$ 22,259,890	\$ 15,459,694	\$ 16,235,249	\$ 14,172,667	\$ 15,938,204	\$ 17,602,006	\$ 15,181,721	\$ 31,121,663	\$ 33,878,846	\$ 41,967,871
Net (Expense)/Revenue										
Governmental activities	\$ (27,889,082)	\$ (30,866,136)	\$ (31,087,977)	\$ (32,148,697)	\$ (32,832,786)	\$ (33,708,688)	\$ (34,837,634)	\$ (35,538,945)	\$ (36,995,799)	\$ (38,144,772)
Business-type activities	28,572	104,906	57,819	21,496	2,854	(3,647)	(7,873)	(5,434)	(12,427)	20,551
Total government-wide net expense	\$ (27,617,654)	\$ (30,761,230)	\$ (31,030,158)	\$ (32,127,201)	\$ (32,829,932)	\$ (33,712,335)	\$ (34,845,507)	\$ (35,544,379)	\$ (37,008,226)	\$ (38,124,221)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 27,403,954	\$ 28,977,510	\$ 29,748,276	\$ 31,329,978	\$ 31,799,928	\$ 32,638,837	\$ 33,634,404	\$ 34,407,661	\$ 35,431,541	\$ 36,134,172
Property Taxes levied for debt service	1,146,461	1,211,935	1,811,218	1,811,718	1,813,068	1,657,773	1,508,174	1,626,162	1,391,784	1,628,848
Unrestricted grants and contributions	230,145	65,044	65,044	45,505	165,674	59,453	59,453	42,861	60,943	60,943
Disposition of Capital Assets	(2,546)	(12,461)	(13,168)	(3,079)	(13,168)	(13,168)	(13,168)	(13,168)	(13,168)	(13,168)
Investment earnings	318,088	112,180	51,124	56,373	23,165	27,465	32,112	21,995	7,650	5,482
Miscellaneous income	40,716	12,483	40,902	720,444	56,321	199,904	235,280	81,669	103,860	108,393
Transfers	29,246,818	30,379,102	31,846,238	33,873,892	33,657,301	34,492,377	35,375,670	36,168,922	36,964,096	37,893,378
Total governmental activities	74,753,736	75,485,904	78,949,807	80,249,938	80,249,938	81,886,935	83,338,398	84,927,142	86,390,181	87,633,824
Business-type activities:										
Investment earnings	840	252	215	319	701	294	305	239	225	535
Disposal of Capital Assets				(11,812)						
Transfers	840	252	215	319	701	294	305	239	225	535
Total business-type activities	1,680	504	430	638	1,402	588	610	473	450	1,070
Total government-wide	\$ 76,434,576	\$ 76,016,408	\$ 79,380,237	\$ 80,880,576	\$ 81,651,340	\$ 82,475,523	\$ 84,004,008	\$ 85,399,615	\$ 86,840,631	\$ 88,704,894
Change in Net Position										
Governmental activities	\$ 1,647,736	\$ (487,034)	\$ 758,261	\$ 1,725,185	\$ 804,515	\$ 783,689	\$ 538,036	\$ 627,377	\$ (31,703)	\$ (250,894)
Business-type activities	(27,732)	105,158	58,054	41,466	35,655	26,247	26,732	7,98	65,446	65,446
Total district	\$ 1,620,004	\$ (381,876)	\$ 816,315	\$ 1,766,651	\$ 840,170	\$ 811,936	\$ 564,768	\$ 635,362	\$ (30,857)	\$ (185,448)

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Fiscal Year Ended June 30,</u>		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
					<u>2012</u>	<u>2013</u>				
General Fund										
Reserved	\$ 1,358,672	\$ 1,647,583	\$ 1,395,124							
Unreserved	1,490,616	909,724	1,359,984							
Nonspendable										
Restricted				\$ 1,786,542	\$ 3,087,198	\$ 3,873,192	\$ 4,072,300	\$ 4,314,012	\$ 4,701,797	\$ 4,582,343
Committed				213,783						
Assigned				1,275,761	1,049,361	1,112,752	913,526	464,031	494,339	477,422
Unassigned				626,780	608,871	617,346	647,846	669,938	699,334	711,915
Total general fund	\$ 2,849,288	\$ 2,557,307	\$ 2,755,108	\$ 3,902,866	\$ 4,745,430	\$ 5,603,290	\$ 5,633,672	\$ 5,447,981	\$ 5,895,470	\$ 5,771,680
All Other Governmental Funds										
Reserved	\$ 152,204	\$ 151,847	\$ 3,041,690							
Unreserved	898,266	266,640	333,173							
Nonspendable										
Restricted				\$ 1,041,310	\$ 433,569	\$ 360,958	\$ 258,202	\$ 336,136	\$ 4,046	
Committed										
Assigned										
Unassigned										
Total all other governmental funds	\$ 1,050,470	\$ 418,487	\$ 3,374,863	\$ 1,041,310	\$ 433,569	\$ 360,958	\$ 258,202	\$ 336,136	\$ 4,046	\$ -

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Beginning with Fiscal Year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Property Tax levy	\$ 28,650,415	\$ 30,189,445	\$ 31,559,494	\$ 33,141,696	\$ 33,612,996	\$ 34,296,610	\$ 35,142,578	\$ 36,033,823	\$ 36,823,325	\$ 37,763,120
Tuition charges		76,376	81,271	150,871						
Interest earnings	318,088	112,180	51,124	56,373	23,163	27,463	32,112	6,669	7,050	5,482
Miscellaneous	64,620	129,428	85,105	834,719	194,247	414,598	439,764	275,222	229,830	253,941
State sources	6,895,118	3,940,352	4,200,612	2,751,721	3,909,018	4,755,309	4,441,625	5,280,410	5,680,193	6,233,763
Federal sources	520,769	595,656	821,096	879,430	622,421	549,153	519,874	529,053	538,080	568,585
Total revenue	36,449,010	35,043,437	36,798,702	37,814,810	38,361,845	40,043,133	40,575,953	42,125,177	43,278,478	44,824,891
Expenditures										
Instruction										
Regular Instruction	15,449,726	15,033,391	15,018,142	14,452,311	15,971,754	16,145,019	16,236,968	16,971,203	18,086,826	18,266,060
Special education instruction	4,182,509	4,228,358	4,785,484	4,956,889	4,820,677	4,959,949	5,383,905	5,391,660	5,791,425	5,978,910
Other instruction	560,414	620,054	658,460	737,413	846,358	882,867	851,329	690,780	718,199	767,254
School sponsored activities and athletics	107,814	95,277	127,192	86,636	97,696	112,200	106,214	114,448	112,448	126,360
Support Services:										
Student and inst. related services	4,901,048	5,014,289	5,481,099	5,505,279	5,587,169	6,248,598	6,673,030	7,237,594	7,493,994	7,829,917
General administration services	833,831	798,878	824,691	825,539	957,543	1,016,756	974,907	1,128,437	1,047,146	990,347
School administration services	2,175,795	2,124,872	2,075,964	2,055,952	2,145,544	2,282,557	2,343,963	2,451,979	2,490,037	2,602,485
Business/Central services	796,791	1,030,114	779,965	1,051,992	1,067,927	1,317,053	1,189,511	1,124,016	975,200	882,955
Plant operations and maintenance	3,016,705	3,493,871	3,163,649	3,016,310	2,984,149	3,090,854	3,010,798	3,138,718	3,005,755	3,212,575
Pupil transportation	778,308	748,431	828,528	635,759	568,422	618,965	596,067	636,028	657,073	723,775
Capital outlay	9,453,775	969,748	1,843,390	3,542,087	1,456,722	427,287	1,125,259	1,272,634	1,091,444	1,579,857
Debt service:										
Principal	699,964	705,403	715,460	875,043	1,200,500	1,295,566	1,224,926	1,187,570	1,115,000	1,415,344
Interest and other charges	1,111,604	1,104,715	1,157,445	1,227,932	1,008,486	828,613	897,150	877,867	830,663	811,188
Bond Issuance Costs					130,023	138,583				
Advance Refunding Escrow					1,521,173	1,317,895				
Total expenditures	44,068,284	35,967,401	37,459,469	38,969,142	40,364,143	40,682,762	40,614,027	42,222,934	43,415,210	45,187,027
Excess (Deficiency) of revenues over (under) expenditures	(7,619,274)	(923,964)	(660,767)	(1,154,332)	(2,002,298)	(639,629)	(38,074)	(97,757)	(136,732)	(362,136)
Other Financing sources (uses)										
Proceeds from bonds			3,535,000		9,485,000	12,440,000				
Premium on bonds			279,944		1,261,196	246,478				
Payment to Refunded Bond Escrow Agent					(9,095,000)	(11,230,000)				
Capital lease proceeds (non-budgeted)					618,025				265,131	278,860
Principal on bonds issued										
Transfers in	141,132	27,296	193	35,511	18,294	8	6	904,502	86,980	
Transfers out	(141,132)	(27,296)	(193)	(66,974)	(50,394)	(31,608)	(34,306)	(914,502)	(99,980)	(44,560)
Total other financing sources (uses)	-	-	3,814,944	(31,463)	2,237,121	1,424,878	(34,300)	(10,000)	252,131	234,300
Net change in fund balances	\$ (7,619,274)	\$ (923,964)	\$ 3,154,177	\$ (1,185,795)	\$ 234,823	\$ 785,249	\$ (72,374)	\$ (107,757)	\$ 115,399	\$ (127,836)
Debt service as a percentage of noncapital expenditures	5.23%	5.17%	5.26%	5.94%	5.68%	5.28%	5.37%	5.04%	4.60%	5.11%

* Noncapital expenditures are total expenditures less capital outlay.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	<u>Restitution</u>	<u>Tuition</u>	<u>Interest</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Total</u>
2008	\$ 2,400	\$ 5,000	251,956	\$ 5,409	\$ 32,907	\$ 297,672
2009		76,376	112,180	4,782	7,651	200,989
2010	7,621	81,271	50,931	5,965	27,316	173,104
2011	6,522	150,871	56,054	1,086	65,488	280,021
2012	6,001	117,912	23,100	5,815	26,332	179,160
2013	7,837	146,890	27,455	5,143	173,841	361,166
2014	7,235	89,149	32,106	42,063	159,824	330,377
2015	11,786	95,685	21,989	3,727	74,484	207,671
2016	6,326	40,589	21,161	11,607	90,678	170,361
2017	6,512	57,034	22,848	10,505	98,655	195,554

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Ofarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2008	\$ 36,084,500	\$ 4,357,830,290	\$ 3,405,300	\$ 27,000	\$ 212,141,000	\$ 40,155,000	\$ 1,565,600	\$ 4,651,208,690	\$ 6,220,937	\$ 4,657,429,627	\$ 4,633,893,878	\$ 0.632
2009	42,478,300	4,406,522,769	3,405,300	27,000	223,306,500	33,175,000	1,545,900	4,710,460,769	7,303,129	4,717,763,898	4,746,516,274	0.654
2010	42,659,400	4,469,519,894	2,779,400	27,000	221,726,300	33,175,000	1,545,900	4,771,432,894	7,271,456	4,778,704,350	4,759,016,380	0.677
2011	39,532,900	4,487,703,143	2,779,400	27,000	222,862,000	33,175,000	1,545,900	4,787,625,343	6,003,258	4,793,628,601	4,636,536,100	0.696
2012	39,171,900	4,494,020,543	2,779,400	27,000	250,965,200	33,175,000	1,545,900	4,821,684,943	6,116,604	4,827,801,547	4,507,239,218	0.704
2013	31,380,600	4,497,796,143	2,779,400	22,700	253,371,600	31,644,000	1,545,900	4,818,540,343	-	4,818,540,343	4,313,961,266	0.721
2014	29,284,743	4,498,457,500	2,779,400	22,700	255,001,400	31,644,000	1,545,900	4,818,735,643	-	4,818,735,643	4,301,161,628	0.739
2015	30,820,900	4,295,188,200	2,493,900	19,400	257,699,500	32,743,400	1,942,500	4,620,907,800	-	4,620,907,800	4,515,521,857	0.788
2016	28,909,400	4,311,852,500	2,493,900	19,400	267,645,600	32,763,400	1,942,500	4,645,626,700	-	4,645,626,700	4,524,284,465	0.803
2017	21,423,800	4,337,725,800	2,493,900	19,400	277,143,600	32,763,400	1,942,500	4,673,512,400	-	4,673,512,400	4,627,781,006	0.816

N/A - Not Available

46 Source: County Abstract of Ratables

a Tax rates are per \$100

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)

Overlapping Rates

<u>Calendar Year</u>	<u>Total Local Direct School Tax Rate</u>	<u>Regional High School District</u>	<u>Municipality</u>	<u>County</u>	<u>Total Direct and Overlapping Tax Rate</u>
2008	\$ 0.632	\$ 0.353	\$ 0.222	\$ 0.184	\$ 1.391
2009	0.654	0.352	0.228	0.194	1.428
2010	0.677	0.364	0.238	0.195	1.474
2011	0.696	0.375	0.245	0.202	1.518
2012	0.704	0.379	0.247	0.204	1.534
2013	0.721	0.379	0.250	0.205	1.555
2014	0.739	0.384	0.256	0.208	1.587
2015	0.788	0.412	0.273	0.240	1.713
2016	0.803	0.408	0.281	0.240	1.732
2017	0.816	0.412	0.283	0.249	1.760

Source: County Abstract of Ratables

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2017		Taxpayer	2008	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Munico Associates	\$ 71,572,300	1.53%	Munico Associates	\$ 29,458,000	0.63%
Precision Multiple Controls, Inc.	12,184,200	0.26%	Precision Multiple Controls, Inc.	13,092,700	0.28%
UB Wyckoff I	11,032,600	0.24%	Wyckoff Hye Partners	11,729,000	0.25%
Wyckoff Partners LLC	9,763,300	0.21%	Village of Ridgewood - Various	10,939,000	0.23%
Individual Taxpayer #1	8,269,400	0.18%	Grossman, Ivan & Solomon-Plazter	9,841,900	0.21%
Individual Taxpayer #2	7,717,300	0.17%	Canterbury Development Corp.	7,410,000	0.16%
Varnic, LLC	7,307,300	0.16%	Wyckoff Shopping Center	6,979,200	0.15%
Wyckoff Shopping Center	6,192,800	0.13%	Cole, Charles W. Jr. & Shawn	6,926,600	0.15%
677 Charnwood Drive LLC	6,125,100	0.13%	Varnic, LLC.	6,612,600	0.14%
Individual Taxpayer #3	4,995,600	0.11%	Sturh, Kenneth	6,490,800	0.14%
	<u>\$ 145,159,900</u>	<u>3.11%</u>		<u>\$ 109,479,800</u>	<u>2.35%</u>

Source: Municipal Tax Assessor

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Local School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2008	\$ 28,650,415	\$ 28,650,415	100.00%	
2009	30,189,445	30,189,445	100.00%	
2010	31,559,494	31,559,494	100.00%	
2011	33,141,696	33,141,696	100.00%	
2012	33,612,996	33,612,996	100.00%	
2013	34,296,610	34,296,610	100.00%	
2014	35,142,578	35,142,578	100.00%	
2015	36,033,823	36,033,823	100.00%	
2016	36,823,325	36,823,325	100.00%	
2017	37,763,120	37,763,120	100.00%	

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Population	(E)	Per Capita
	General Obligation Bonds	Capital Leases				
2008	\$ 25,461,443		\$ 25,461,443	16,805		\$ 1,515
2009	24,756,040		24,756,040	16,826		1,471
2010	27,575,580		27,575,580	16,912		1,631
2011	26,700,537		26,700,537	16,707		1,598
2012	26,064,751	\$ 443,311	26,508,062	16,883		1,570
2013	26,145,476	277,020	26,422,496	16,964		1,558
2014	25,090,000	107,570	25,197,570	17,051		1,478
2015	24,010,000		24,010,000	17,135		1,401
2016	22,895,000	265,131	23,160,131	17,224		1,345
2017	21,755,000	268,647	22,023,647	17,221		1,279

(E) - Estimated

Source: District records

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Debt	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2008	\$ 25,461,443		\$ 25,461,443	0.55%	\$ 1,515
2009	24,756,040		24,756,040	0.52%	1,471
2010	27,575,580		27,575,580	0.58%	1,631
2011	26,700,537		26,700,537	0.56%	1,598
2012	26,064,751		26,064,751	0.54%	1,543
2013	26,145,476		26,145,476	0.54%	1,541
2014	25,090,000		25,090,000	0.52%	1,471
2015	24,010,000		24,010,000	0.52%	1,401
2016	22,895,000		22,895,000	0.49%	1,329
2016	21,755,000		21,755,000	0.47%	1,263

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2016
(Unaudited)

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Wyckoff Township Public Schools	\$ 22,895,000	\$ 22,895,000	
Regional High School - Wyckoff's Share	7,766,845	7,766,845	
Township of Wyckoff	<u>3,083,950</u>	<u>-</u>	<u>\$ 3,083,950</u>
	<u>\$ 33,745,795</u>	<u>\$ 30,661,845</u>	<u>3,083,950</u>
Overlapping Debt Apportioned to the Municipality:			
Bergen County:			
County of Bergen (A)			32,458,781
Northwest Utilities Authority - Water Pollution (B)			<u>2,558,250</u>
			<u>35,017,031</u>
Total Direct and Overlapping Debt			<u>\$ 38,100,981</u>

Source:

(1) Township's 2016 Annual Debt Statement

(A) The debt for this entity was apportioned to the Township of Wyckoff by dividing the municipality's 2016 equalized value by the total 2016 equalized value for Bergen County.

(B) The debt was computed based upon dividing the Township's 2016 billings by the total 2016 billings of the Authority.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2017

Equalized valuation basis

2016	\$	4,595,080,811
2015		4,495,046,498
2014		4,381,465,396
	\$	<u>13,471,592,705</u>

Average equalized valuation of taxable property \$ 4,490,530,902

Debt limit (3 % of average equalization value) 134,715,927

Total Net Debt Applicable to Limit (21,755,000)

Legal debt margin \$ 112,960,927

FISCAL YEAR

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 129,624,799	\$ 136,689,994	\$ 139,486,312	\$ 139,168,518	\$137,570,093	\$ 133,835,491	\$ 130,705,527	\$ 129,884,480	\$ 131,722,597	\$ 134,715,927
Total net debt applicable to limit	(25,461,443)	(24,756,040)	(27,575,580)	(26,700,537)	(26,064,751)	(26,145,476)	(25,090,000)	(24,010,000)	(22,895,000)	(21,755,000)
Legal debt margin	<u>\$ 104,163,356</u>	<u>\$ 111,933,954</u>	<u>\$ 111,910,732</u>	<u>\$ 112,467,981</u>	<u>\$111,505,342</u>	<u>\$ 107,690,015</u>	<u>\$ 105,615,527</u>	<u>\$ 105,874,480</u>	<u>\$ 108,827,597</u>	<u>\$ 112,960,927</u>
Total net debt applicable to the limit as a percentage of debt limit	19.64%	18.11%	19.77%	19.19%	18.95%	19.54%	19.20%	18.49%	17.38%	16.15%

Source: Annual Debt Statements

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	(E)	<u>Per Capita Personal Income (1)</u>	<u>Unemployment Rate</u>
2008	16,805		\$ 68,548	3.3%
2009	16,826		64,571	5.9%
2010	16,912		65,275	6.1%
2011	16,707		68,244	6.0%
2012	16,883		71,380	6.1%
2013	16,964		70,498	5.5%
2014	17,051		73,536	4.3%
2015	17,135		75,849	3.7%
2016	17,224		N/A	3.5%
2017	17,221		N/A	N/A

N/A - Not Available

(E) - Estimated

(1) Represents the County of Bergen per Capita Personal Income

Source: New Jersey State Department of Education

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 PRINCIPAL EMPLOYERS,
 CURRENT YEAR AND NINE YEARS AGO
 (Unaudited)

<u>Employer</u>	<u>2017</u>		<u>2008</u>	
	<u>Employees (a)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees (a)</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (Unaudited)**

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Instruction										
Regular	150.3	150.9	145.8	135.6	142.9	147.8	168.5	153.4	153.9	157.2
Special education	34.6	34.6	43.5	49.8	42.4	45.7	37.3	46.7	43.6	44.8
Other special education	11.8	13.0	18.0	25.0	8.0	8.4	10.1	5.8	5.8	5.8
Support Services:										
Student & instruction related services	40.6	45.2	51.8	55.9	58.1	57.9	42.7	65.8	65.8	69.4
General administration	3.0	3.0	3.0	3.6	3.6	3.6	3.6	4.9	3.6	4.0
School administrative services	22.6	33.1	19.0	18.0	18.0	18.0	18.0	20.0	18.0	18.0
Central services	6.3	6.3	6.4	5.4	5.4	6.4	5.4	6.0	5.6	6.0
Administrative Information Technology	2.0	2.0	2.0	2.3	2.3	2.3	2.3	2.3	1.3	
Plant operations and maintenance	23.4	20.4	21.4	22.4	11.5	12.0	10.5	6.5	13.3	6.5
Pupil transportation	1.1	1.1	1.1	1.1	1.1	1.4	0.2	0.1	0.1	0.1
Special Revenue Funds	-	-	-							
Food Service	3.1	2.0	4.0	2.0	1.4	1.4	1.4	1.4	0.6	0.4
Total	298.8	311.6	316.0	321.1	294.7	304.9	300.0	312.9	311.6	312.2

Source: District Personnel Records

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle School				
2008	2,380	\$ 32,802,941	\$ 13,783	5.64%	202	11.9:1	11.2:1	2,361	2,257	0.13%	95.60%
2009	2,431	33,187,535	13,652	-0.95%	213	11.4:1	11.1:1	2,391	2,299	1.27%	96.15%
2010	2,388	33,743,174	14,130	3.51%	221	11.1:1	10.5:1	2,361	2,259	-1.25%	95.68%
2011	2,354	33,324,080	14,156	0.18%	207	12.7:1	11.9:1	2,326	2,327	-1.48%	100.04%
2012	2,279	35,047,239	15,378	8.63%	212	10.8:1	10.6:1	2,255	2,175	-3.05%	96.45%
2013	2,252	36,674,818	16,285	5.90%	216	10.5:1	10.2:1	2,115	2,031	-6.21%	96.03%
2014	2,184	37,366,692	17,109	5.06%	209	10.7:1	10.2:1	1,940	1,868	-8.27%	96.29%
2015	2,110	38,884,863	18,429	7.71%	216	11.0:1	9.8:1	2,105	2,024	8.51%	96.15%
2016	2,103	40,378,103	19,200	4.19%	211	9.5:1	10.7:1	2,075	1,998	-1.43%	96.29%
2017	2,063	#REF!	#REF!	#REF!	213	9.2:1	10.4:1	2,058	1,975	-0.82%	95.97%

Sources: District records

- Note:
- a Enrollment based on Total District Enrollment at the close of the school year.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
District Building										
<u>Elementary</u>										
Washington Elementary (1922)										
Square Feet	54,094	54,094	54,094	54,094	54,094	54,094	54,094	54,094	54,094	54,094
Capacity (Students)	408	408	408	408	408	408	408	408	408	408
Enrollment	439	444	420	433	417	411	386	355	347	328
Coolidge Elementary (1931)										
Square Feet	51,798	51,798	51,798	51,798	51,798	51,798	51,798	51,798	51,798	51,798
Capacity (Students)	685	685	685	685	685	685	685	685	685	685
Enrollment	386	374	354	339	329	329	344	342	340	321
Lincoln Elementary (1951)										
Square Feet	55,450	55,450	55,450	55,450	55,450	55,450	55,450	55,450	55,450	55,450
Capacity (Students)	496	496	496	496	496	496	496	496	496	496
Enrollment	368	362	403	367	356	340	321	311	313	335
Sicomac Elementary (1968)										
Square Feet	58,375	58,375	58,375	58,375	58,375	58,375	58,375	58,375	58,375	58,375
Capacity (Students)	449	449	449	449	449	449	449	449	449	449
Enrollment	356	386	374	361	329	336	331	317	292	289
<u>Middle</u>										
Eisenhower Middle School (1960)										
Square Feet	127,282	127,282	127,282	127,282	127,282	127,282	127,282	127,282	127,282	127,282
Capacity (Students)	960	960	960	960	960	960	960	960	960	960
Enrollment	806	838	815	831	827	815	774	785	783	790
<u>Other</u>										
Maintenance										
Square Feet	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	4,500
Board Office										
Square Feet	3,380	3,380	3,380	3,380	3,380	3,380	3,380	3,380	3,380	3,797
Out of District										
Enrollment	25	27	22	23	21	21	28	25	27	30
Totals										
Square Feet	353,179									
Capacity	2,998									
Enrollment	2,135									

Number of Schools at June 30, 2017

Elementary = 4

Middle School = 1

Other = 2

Source: District Records

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

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

	<u>Project # (s)</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
School Facilities											
Coolidge E.S.	N/A	\$ 95,060	\$ 123,441	\$ 151,426	\$ 172,031	\$ 166,838	\$ 112,781	\$ 103,392	\$ 101,665	\$ 90,292.00	\$ 98,883.00
Lincoln E.S.	N/A	95,571	279,915	151,896	175,400	163,123	124,649	127,901	125,765	111,695.00	122,322.00
Sicomac E.S.	N/A	110,474	103,300	91,354	97,349	140,238	144,518	112,802	110,918	98,510.00	107,882.00
Washington E.S.	N/A	121,720	117,997	153,592	140,518	145,929	149,271	127,964	125,827	111,751.00	122,383.00
Eisenhower M.S.	N/A	180,739	195,228	210,509	211,531	341,808	292,680	259,114	254,787	226,284.00	247,813.00
Board of Education	N/A	5,598	3,705	15,659	12,894	8,280	16,484	3,725	3,663	3,253.00	3,562.00
Maintenance Bldg.	N/A	5,312	4,032	4,487	22,771	10,844	6,490	5,987	5,888	5,229.00	5,727.00
Total School Facilities		<u>\$ 614,474</u>	<u>\$ 827,618</u>	<u>\$ 778,923</u>	<u>\$ 832,494</u>	<u>\$ 977,060</u>	<u>\$ 846,873</u>	<u>\$ 740,885</u>	<u>\$ 728,513</u>	<u>\$ 647,014</u>	<u>\$ 708,572</u>

Source: District Records

Note:

Beginning in fiscal year 2001, the New Jersey State Department of Education required Districts to report maintenance expenditures by location.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF INSURANCE
JUNE 30, 2017
(Unaudited)

	<u>Coverage</u>	<u>Deductible</u>
Northeast Bergen County School Board Insurance Group (NESBIG)		
Property - Blanket Building and Contents (Including Boiler and Machinery) \$	35,878,503	\$ 5,000
General Liability (Each Occurrence)	1,000,000	
Excess Liability (Each Occurrence and Aggregate)	9,000,000	
Automobile		
Liability	1,000,000	
Umbrella Excess Liability	50,000,000	
Environmental Impairment	4,000,000	15,000
Cyber Liability - (Per Claim)	1,000,000	15,000
Educators Legal Liability	1,000,000	
Employee Dishonesty Per Employee	100,000	
Per Loss	400,000	

Source: Wyckoff School District records.

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLOSI, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Wyckoff Township Public Schools
Wyckoff, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wyckoff Township Public Schools as of and for the fiscal year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Wyckoff Township Public Schools' basic financial statements and have issued our report thereon dated September 28, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wyckoff Township Public Schools' 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 Wyckoff Township Public Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of the Wyckoff Township Public Schools' internal control.

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

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

Compliance and Other Matters

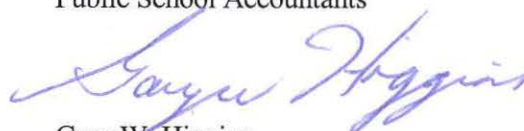
As part of obtaining reasonable assurance about whether the Wyckoff Township Public Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
September 28, 2017



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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MARK SACO, CPA
SHERYL M. NICOLosi, CPA, PSA

**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE AS REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR’S REPORT

Honorable President and Members
of the Board of Trustees
Wyckoff Township Public Schools
Wyckoff, New Jersey

Report on Compliance for Each Major State Program

We have audited the Wyckoff Township Public Schools’ compliance with the types of compliance requirements described in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Wyckoff Township Public Schools’ major state programs for the fiscal year ended June 30, 2017. The Wyckoff Township Public Schools’ major state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the Wyckoff Township Public Schools’ major 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 Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and New Jersey Circular 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 state program occurred. An audit includes examining, on a test basis, evidence about the Wyckoff Township Public Schools’ 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 state program. However, our audit does not provide a legal determination of the Wyckoff Township Public Schools' compliance.

Opinion on Each Major State Program

In our opinion, the Wyckoff Township Public Schools 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 state programs for the fiscal year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of the Wyckoff Township Public Schools 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 Wyckoff Township Public Schools' internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state program and to test and report on internal control over compliance in accordance with the New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Wyckoff Township Public Schools' 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 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 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 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 New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wyckoff Township Public Schools, as of and for the fiscal year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated September 28, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

Jerch, Vinci & Higgins LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Gary W. Higgins

Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
September 28, 2017

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2016	Carrvoer	Cash Received	Budgetary Expenditures	Repayment of Prior Year's Balances	Balance at June 30, 2017			GAAP Receivable
											(Account Receivable)	Deferred Revenue	Due to Grantor	
U.S. Department of Education														
Passed-through State Department of Education														
Title I, Part A	84.010	S010A160030	NCLB5920-17	7/1/16-6/30/17	\$ 37,656				\$ 11,910		\$ (37,656)	\$ 25,746		\$ (11,910)
Title I, Part A	84.010	S010A150030	NCLB5920-16	7/1/15-6/30/16	42,741			\$ 2,657	42,741		(40,084)			(40,084)
Title II, Part A	84.367A	S367A160029	NCLB5920-17	7/1/16-6/30/17	35,077		\$ (4,119)	36,383	34,911		(4,852)	2,205		(2,647)
Title II, Part A - C/O	84.367A	S367A150029	NCLB5920-16	7/1/15-6/30/16	37,132	\$ (4,119)	4,119							
Title III Immigrant	84.365	S365A160030	NCLB5920-17	7/1/16-6/30/17	1,531						(1,531)	1,531		-
I.D.E.A. Part B - Basic	84.027	H027A160100	FT-5920-17	7/1/16-6/30/17	464,962		(58,792)	476,879	455,408		(62,732)	25,411		(37,321)
I.D.E.A. Part B - Basic C/O	84.027	H027A150100	FT-5920-16	7/1/15-6/30/16	486,908	(58,792)	58,792							
I.D.E.A. Part B, Preschool	84.173	H173A160114	PS-5920-17	7/1/16-6/30/17	23,615		1,511	23,615	23,615		(1,511)	1,511		-
I.D.E.A. Part B, Preschool C/O	84.173	H173A150114	PS-5920-16	7/1/15-6/30/16	23,418	-	(1,511)	-	-	-	-	-	-	-
Special Education Cluster (IDEA)									479,023					
Total U.S. Department of Education						(62,911)	-	539,534	568,585	-	(148,366)	56,404	-	(91,962)
Total Federal Financial Assistance						\$ (62,911)	\$ -	\$ 539,534	\$ 568,585	\$ -	\$ (148,366)	\$ 56,404	\$ -	\$ (91,962)

Note - This schedule was not subject to an audit in accordance with U.S. Uniform Guidance.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at July 1, 2016			Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Prior Year Cancelled Payables	Balance at June 30, 2017			MEMO	
				Deferred Revenue (Accts. Rec.)	Due to Grantor	Carryover					(Accounts Receivable)	Deferred Revenue/	Due to Grantor	GAAP Receivable	Combined Total Expenditures
State Department of Education															
Special Education Categorical Aid	17-495-034-5120-089	7/1/16-6/30/17	\$ 745,645				\$ 702,136	\$ 745,645			\$ (43,509)			\$	745,645
Special Education Categorical Aid	16-495-034-5120-089	7/1/15-6/30/16		\$ (36,165)			36,165								
Security Aid	17-495-034-5120-084	7/1/16-6/30/17	37,516				35,327	37,516			(2,189)				37,516
Security Aid	16-495-034-5120-084	7/1/15-6/30/16	33,142	(1,591)			1,591								
PARCC Readiness	17-495-034-5120-098	7/1/16-6/30/17	21,080				19,850	21,080			(1,230)				21,080
PARCC Readiness	16-495-034-5120-098	7/1/15-6/30/16	21,080	(1,012)			1,012								
Professional Learning Community Aid	17-495-034-5120-101	7/1/16-6/30/17	20,410				19,219	20,410			(1,191)				20,410
Per Pupil Growth Aid	17-495-034-5120-097	7/1/16-6/30/17	21,080				19,850	21,080			(1,230)				21,080
Per Pupil Growth Aid	16-495-034-5120-097	7/1/15-6/30/16	21,080	(1,012)			1,012								
State Aid Public Cluster								845,731							
Transportation Aid	17-495-034-5120-014	7/1/16-6/30/17	59,410				55,943	59,410			(3,467)				59,410
Transportation Aid	16-495-034-5120-014	7/1/15-6/30/16	51,450	(2,469)			2,469								
Extraordinary Aid	17-100-034-5120-044	7/1/16-6/30/17	263,733					263,733			(263,733)				263,733
Extraordinary Aid	16-100-034-5120-044	7/1/15-6/30/16	197,908	(197,908)			197,908								
Additional Non Public School Transp. Aid	17-495-034-5120-014	7/1/16-6/30/17	14,414					14,414			(14,414)		\$	(14,414)	14,414
Additional Non Public School Transp. Aid	16-495-034-5120-014	7/1/15-6/30/16	16,426	(16,426)			16,426								
Reimbursed TPAF Social Security	17-495-034-5094-003	7/1/16-6/30/17	1,260,761				1,260,761	1,260,761							1,260,761
TPAF Pension - Normal	17-495-034-5094-002	7/1/16-6/30/17	1,864,148				1,864,148	1,864,148							1,864,148
TPAF Pension PRM Contr.	17-495-034-5094-001	7/1/16-6/30/17	1,609,537				1,609,537	1,609,537							1,609,537
TPAF Pension - LTDI	17-495-034-5094-004	7/1/16-6/30/17	4,282				4,282	4,282							4,282
TPAF Pension - NCGI	17-495-034-5094-004	7/1/16-6/30/17	67,542	-	-	-	67,542	67,542	-	-	-	-	-	-	67,542
Total General Fund				(256,583)	-	-	5,915,178	5,989,558	-	-	(330,963)	-	-	(14,414)	5,989,558
N.J. Nonpublic Aid															
Textbook Aid	17-100-034-5120-064	7/1/16-6/30/17	24,151				24,151	23,338				\$ 813			23,338
Technology Initiative	17-100-034-5120-373	7/1/16-6/30/17	10,894				10,894	10,824					70		10,824
Technology Initiative	16-100-034-5120-373	7/1/15-6/30/16	10,520		\$ 60				\$ 60						
Nursing Services	17-100-034-5120-070	7/1/16-6/30/17	38,790				38,790	38,790							38,790
Security	17-100-034-5120-509	7/1/16-6/30/17	21,550				21,550	21,550							21,550
Security	16-100-034-5120-509	7/1/15-6/30/16	10,800		18				18						
Auxiliary Services															
Transportation	17-100-034-5120-068	7/1/16-6/30/17	15,300				15,300	15,300							15,300
English as a Second Language	17-100-034-5120-067	7/1/16-6/30/17	5,482				5,482	2,649					2,833		2,649
English as a Second Language	16-100-034-5120-067	7/1/15-6/30/16	9,145		3,451				3,451						
Compensatory Education	17-100-034-5120-067	7/1/16-6/30/17	102,927				102,927	100,061					2,866		100,061
Compensatory Education	16-100-034-5120-067	7/1/15-6/30/16	109,984		13,621				13,621						
Home Instruction	16-100-034-5120-067	7/1/15-6/30/16	796	(796)			796	-							
Auxiliary Services Cluster								118,010							
Handicapped Services															
Examination and Classification	17-100-034-5120-066	7/1/16-6/30/17	41,789				41,789	41,789							41,789
Examination and Classification	16-100-034-5120-066	7/1/15-6/30/16	50,959		7,161				7,161						
Corrective Speech	17-100-034-5120-066	7/1/16-6/30/17	26,152				26,152	21,911		\$ 1,192			5,433		21,911
Corrective Speech	16-100-034-5120-066	7/1/15-6/30/16	14,882		1,588				1,588						
Supplemental Instruction	17-100-034-5120-066	7/1/16-6/30/17	47,710				47,710	41,118					6,592		41,118
Supplemental Instruction	16-100-034-5120-066	7/1/15-6/30/16	36,683		3,267				3,267						
Handicapped Services Cluster								104,818							
Total Special Revenue Fund				(796)	29,166	-	335,541	317,330	29,166	1,192	-	-	18,607	-	317,330
Total State Financial Assistance Subject to Single Audit Determination				(257,379)	\$ 29,166	-	6,250,719	\$ 6,306,888	\$ 29,166	\$ 1,192	(330,963)	-	\$ 18,607	(14,414)	\$ 6,306,888
State Financial Assistance Not Subject to Single Audit Determination															
General Fund															
TPAF Pension - NCGI	17-495-034-5094-004	7/1/16-6/30/17	67,542				(67,542)	(67,542)							(67,542)
TPAF Pension - LTDI	17-495-034-5094-004	7/1/16-6/30/17	4,282				(4,282)	(4,282)							(4,282)
TPAF Pension - Normal	17-495-034-5094-002	7/1/16-6/30/17	1,864,148				(1,864,148)	(1,864,148)							(1,864,148)
TPAF Pension PRM Contr.	17-495-034-5094-001	7/1/16-6/30/17	1,609,537				(1,609,537)	(1,609,537)							(1,609,537)
Total State Financial Assistance Subject to Major Program Determination				\$ (257,379)	\$ 29,166	\$ -	\$ 2,705,210	\$ 2,761,379	\$ 29,166	\$ 1,192	\$ (330,963)	\$ -	\$ 18,607	\$ (14,414)	\$ 2,761,379

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$76,392 for the general fund and an increase of \$3,267 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 5,913,166	\$ 5,913,166
Special Revenue Fund	\$ 568,585	320,597	889,182
Total Awards Financial Assistance	<u>\$ 568,585</u>	<u>\$ 6,233,763</u>	<u>\$ 6,802,348</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

TPAF Social Security contributions in the amount of \$1,260,761 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2017. The amount reported as TPAF Pension System Contributions in the amount of \$1,931,690 , TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,609,537 and TPAF Long-Term Disability Insurance in the amount of \$4,282 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2017.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Part I – Summary of Auditor’s Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? yes X no

2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported

Noncompliance material to the basic financial statements noted? yes X no

Federal Awards Section

NOT APPLICABLE

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Part I – Summary of Auditor’s Results

State Awards Section

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

Internal Control over compliance:

- 1) Material weakness(es) identified? yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported

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

Identification of major state programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u>495-034-5120-098</u>	<u>PARCC Readiness</u>
<u>495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>495-034-5094-003</u>	<u>Reimbursed TPAF Social Security</u>

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

Auditee qualified as low-risk auditee? X yes no

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Part 2 - Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Governing Auditing Standards.

THERE ARE NONE.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Part 3 - Schedule of Federal and State 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 and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

NOT APPLICABLE.

CURRENT YEAR STATE AWARDS

THERE ARE NONE.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

THERE WERE NONE.