

Comprehensive Annual Financial Report

of the

City of Wildwood Board of Education

Cape May County, New Jersey

For the Fiscal Year Ended June 30, 2018

Prepared by

City of Wildwood Board of Education

Finance Office

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Introductory Section

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

Wildwood Public Schools

January 25, 2019

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

Dear Board Members:

The Comprehensive Annual Financial Report of the City of Wildwood School District for the fiscal year ended June 30, 2018 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Uniform Guidance, and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this Single Audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The City of Wildwood School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14 as established by NCGA Statement 3. All funds of the District are included in this report. The City of Wildwood Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels PK through 12. These include regular and vocational, as well as special education for handicapped youngsters. The District completed the 2017-18 school year with a resident enrollment of 859 students, which is 15 students more than the previous year's enrollment. The table on the following page details the changes in the student enrollment of the District over the last ten years.

CHILDREN FIRST!!!

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Fiscal Year	Student Enrollment	Percent Change
2017-18	823	-2.5%
2016-17	844	-0.7%
2015-16	850	-2.2%
2014-15	869	3.5%
2013-14	840	-1.4%
2012-13	852	0.7%
2011-12	846	-0.9%
2010-11	854	2.0%
2009-10	837	-1.1%
2008-09	846	8.7%

2. ECONOMIC CONDITION AND OUTLOOK:

The City of Wildwood continues to suffer under the economic down-turn in residential and commercial development and expansion. The growth in development has been stagnant with a real estate market flush with sellers, but not enough buyers. The valuation of property in the city has continued to decline, although at a slower rate, and is hoped to begin a slow rebound in the near future. This coupled with a state-imposed budget cap lower than inflation and significant increases in costs in areas such as health benefits, place increased pressure upon the District's budget.

The leasing of homes to temporary or transient families has continued, and along with this there has been an increase of special needs students who require specialized support services.

The District continues to cope with overcrowding in Pre-K through grade 5 and special education departments resulting in significant costs for leasing classroom space and out-of-district placements.

Our outlook for the immediate future is one of great concern following the passing of Senate bill S-2 which will reduce state aid to Wildwood Schools by approximately \$2 million over the next 7 years. This will mean an increase in taxes to our local taxpayers, as well as reductions in staff and instructional programs.

3. MAJOR INITIATIVES:

The District continues to focus on curricular revision and alignment with the New Jersey Student Learning Standards as sustained, job-embedded, professional development for teachers as a means of improving student performance. The District has developed a strategic plan to address areas of need as identified by the school board and a cohort of stakeholders, and continuously works to address the activities identified therein critical to the achievement of these identified goals.

The District has also expanded its Career and Technical Education (CTE) program offering a Culinary Arts program approved as a program of study by the NJDOE, with plans to expand into additional areas this school year, including Building Construction Technology and Criminal Justice. Along with these CTE programs, the District has aligned with Atlantic Cape Community College to offer dual credit courses, allowing students to graduate with up to 30 college credits.

The District's after-school program, funded through 21st Century Community Learning Center federal grant funding, has been providing a comprehensive program for students in grades 4 through 8 for

the past 5 years, including dinner. This program includes activities such as theater, dance, sewing, and cooking. This current school year, 2017-18, the program has expanded to include grades 3 through 12 through an increase in funding and offered an extensive variety of learning opportunities for all students.

The District has tried to maintain a focus on those infrastructure issues which promote safety and an improved atmosphere. We have entered into an agreement with our architect to assist in developing an ESIP program to upgrade lighting and HVAC systems in both our buildings. Improvements this year included a major upgrade to the security system, including new cameras, and new bleachers in the High School gymnasium.

4. INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2018.

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. DEBT ADMINISTRATION:

At June 30, 2018, there were no serial bonds and \$180,725,41 in capital leases outstanding.

8. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions

of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9. RISK MANAGEMENT:

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

10. OTHER INFORMATION:

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related Budget Uniform Guidance and New Jersey OMB Circular 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGMENTS:

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

Respectfully submitted,

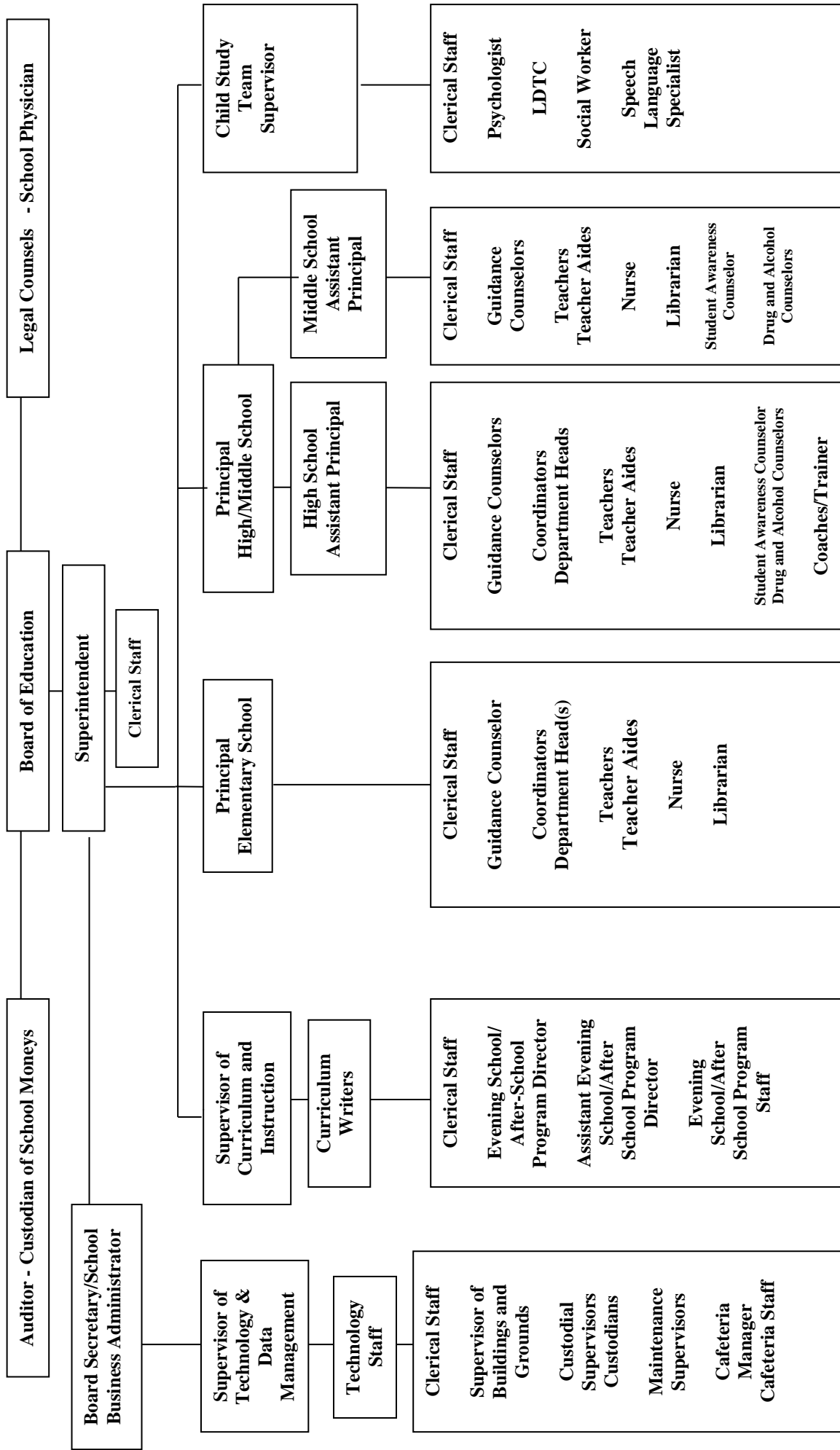
J. Kenyon Kummings

J. Kenyon Kummings
Superintendent of Schools

Martha J. Jamison

Martha J. Jamison, CPA
Board Secretary/Business Administrator

**WILDWOOD PUBLIC SCHOOLS
ADMINISTRATIVE ORGANIZATIONAL CHART
2017-2018**



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

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

**ROSTER OF OFFICIALS
JUNE 30, 2018**

Members of the Board of Education

Term Expires

R. Todd Kieninger, President	2019
Ernest Troiano, III, Vice President	2019
Carol Bannon	2020
Krista Fitzsimons	2021
Matthew Johnson	2019
Jacqueline Martinez	2019
Kelly Phillips	2021
Lynn Quinlan	2021
Josephine Sharpe	2020
David MacDonald (North Wildwood)	2019
William Morey (Wildwood Crest)	2018

Other Officials

J. Kenyon Kummings, Superintendent

Martha J. Jamison, Board Secretary/School Business Administrator

Kelly A. Prinz, Esq., Solicitor

**CITY OF WILDWOOD BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

AUDIT FIRM

Ford, Scott & Associates, L.L.C.
Certified Public Accountants
1535 Haven Avenue
Ocean City, NJ 08226-0538

ATTORNEY

William S. Donio, Esq.
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Atlantic City, NJ 08401

RISK MANAGEMENT CONSULTANT

Joseph Meola
Byrne Agency
5200 New Jersey Avenue
Wildwood, NJ 08260

SCHOOL PHYSICIAN

Richard A. Renza, D.O.
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Cape May Court House, NJ 08210

COMPUTER CONSULTANT

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Branchburg, NJ 08876

Pearson
13036 Collection Center Drive
Chicago, IL 60693

OFFICIAL DEPOSITORY

Crest Savings Bank
113 E. Wildwood Avenue
Wildwood, NJ 08260

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Financial Section



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wildwood School District, State of New Jersey, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wildwood School District, in the County of Cape May, State of New Jersey, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2019 on our consideration of the City of Wildwood School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wildwood School District's internal control over financial reporting and compliance.

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

Michael S. Garcia

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

January 25, 2019

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REQUIRED SUPPLEMENTARY INFORMATION – PART I

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED**

The discussion and analysis of the City of Wildwood School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2018 are as follows:

- In total, net position decreased \$245,000.36, which represents a 7 percent decrease from 2017.
- General revenues accounted for \$16,513,208.99 in revenue or 60 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$11,063,575.91, or 40 percent of total revenues of \$27,576,784.90.
- Total assets of governmental activities increased by \$29,752.95 as cash and cash equivalents decreased by \$201,669.10 and receivables increased by \$231,422.05. Capital Assets remained comparable from 2017, decreasing by 87,033.35
- The School District had \$28,943,633.49 in expenses; only \$12,184,233.39 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$16,514,399.74 plus budgeted fund prior fund balance were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$20,333,696.42 in revenues and \$20,474,281.55 in expenditures. The General Fund's fund balance decreased \$140,585.13 over 2017.

Using this Comprehensive Annual Financial Report (CAFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School district's most significant funds with all other non-major funds presented in total in one column. In the case of the City of Wildwood School District, the General Fund is by far the most significant fund.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2018?" The Statement of Net Position and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental Activities - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation, and extracurricular activities.
- Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund and Capital Projects Fund.

Governmental Funds

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

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED**

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The Notes to the Financial Statements can be found in this report as shown in the table of contents.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net Position may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. In 2018, net position was restated as required by implementation of GASB 68.

Table 1 provides a summary of the School District's net position for 2018 and 2017.

**Table 1
Net Position**

	2018	2017
Assets		
Current and Other Assets	\$ 3,836,316.47	4,783,731.28
Capital Assets	6,316,625.69	5,299,454.17
Total Assets	10,152,942.16	10,083,185.45
Liabilities		
Long-Term Liabilities	6,635,208.50	8,085,361.62
Other Liabilities	755,899.55	576,657.36
Total Liabilities	7,391,108.05	8,662,018.98
Net Position		
Invested in Capital Assets, Net of Debt	4,711,311.83	4,660,539.60
Restricted	3,962,967.97	3,964,595.38
Unrestricted	(5,405,531.69)	(5,111,386.51)
Total Net Position	\$ 3,268,748.11	3,513,748.47

The District's combined net position was \$3,268,748.11 on June 30, 2018. This is a decrease of 7 percent from the prior year.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED**

Table 2 shows changes in net position for fiscal year 2018 and 2017.

**Table 2
Changes in Net Position**

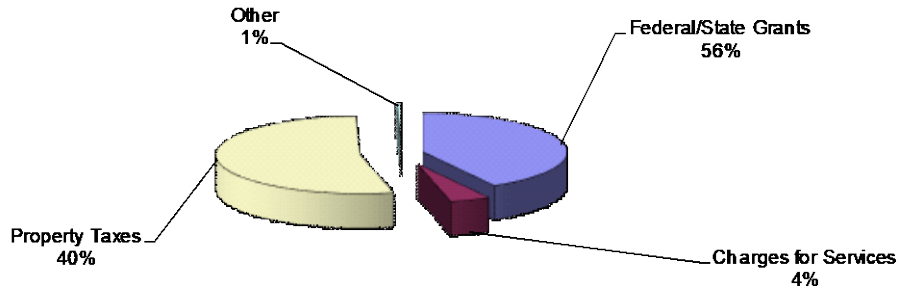
	<u>2018</u>	<u>2017</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 1,351,589.71	1,363,298.44
Operating Grants and Contributions	10,832,643.68	9,395,624.89
General Revenues:		
Property Taxes	11,086,080.00	10,868,706.00
Grants and Entitlements	5,339,791.57	5,308,984.47
Other	88,528.17	131,673.29
Total Revenues	<u>28,698,633.13</u>	<u>27,068,287.09</u>
Program Expenses		
Instruction	16,461,971.55	15,604,415.22
Support Services:		
Tuition	1,636,727.32	1,305,190.90
Student and Instruction Related Services	4,518,052.42	4,389,494.93
General Administration, School Administration, Business Operations and Maintenance of Facilities	4,500,760.90	4,232,451.48
Pupil Transportation	794,137.74	735,357.86
Capital Outlay and Interest		
Food Service	1,031,983.56	972,417.25
Other		
Total Expenses	<u>28,943,633.49</u>	<u>27,239,327.64</u>
Increase(decrease) in Net Position	<u>\$ (245,000.36)</u>	<u>(171,040.55)</u>

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED**

Governmental Activities

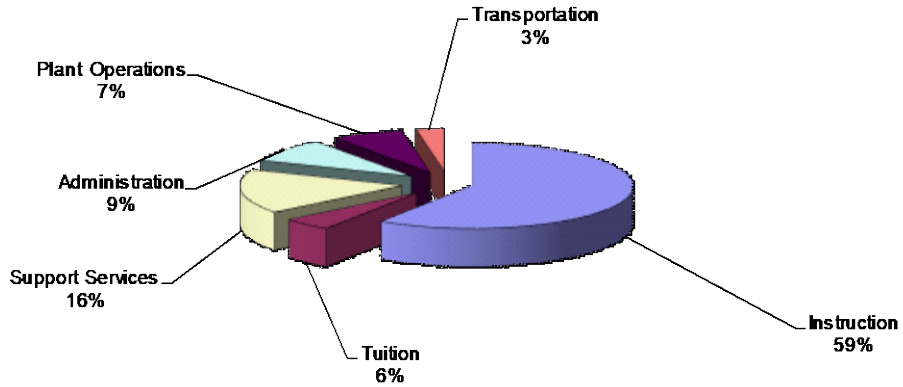
Federal and state grants/aid made up 56 percent of revenues for governmental activities for the City of Wildwood School District for fiscal year 2018. The District's total revenues for governmental activities were \$27,576,784.90 for the year ended June 30, 2018. Property taxes accounted for another 40 percent of revenue.

Sources of Revenue for Fiscal Year 2018



The total cost of all program and services was \$27,911,649.93. Instruction comprises 59 percent of District expenses.

Cost of Programs and Services for Fiscal Year 2018



**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED**

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

- Food service revenues exceeded expenses by \$89,864.67.
- Charges for services represent \$169,548.59 of revenue. This represents amounts paid by patrons for daily food service and special functions.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$951,108.89.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

**Table 3
Costs of Services**

	Total Cost of Services 2018	Net Cost of Services 2018	Total Cost of Services 2017	Net Cost of Services 2017
Instruction	\$ 16,461,971.55	11,517,600.10	\$ 15,604,415.22	12,256,678.72
Support Services:				
Tuition	1,636,727.32		1,305,190.90	
Pupils and Instructional Staff	4,518,052.42	3,161,050.36	4,389,494.93	3,447,782.46
General Administration, School Administration and Business Operations	2,457,269.36	1,646,227.75	2,343,438.14	1,776,249.92
Operation and Maintenance of Facilities	2,043,491.54	1,353,648.09	1,889,013.34	1,418,163.31
Pupil Transportation	794,137.74	527,974.18	735,357.86	554,996.59
Other			-	-
Total Expenses	<u>\$ 27,911,649.93</u>	<u>18,206,500.48</u>	<u>\$ 26,266,910.39</u>	<u>19,453,871.00</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Tuition, Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development and the payment of tuition to other school districts.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities involve keeping the school grounds, buildings, and equipment in an effective working condition.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED**

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

The School District's Funds

All governmental funds (i.e., general fund and special revenue fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$24,719,224.90, and expenditures were \$24,831,867.29. The net positive change in fund balance for the year was most significant in the General Fund, an decrease of \$112,642.39.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2018, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2017</u>	<u>Percent of Increase (Decrease)</u>
Local Sources	\$ 12,360,258.54	54.41%	\$ 172,135.31	1.41%
State Sources	8,715,951.60	38.37%	779,058.01	9.82%
Federal Sources	1,641,536.76	7.23%	(162,914.10)	-9.03%
	<u>\$ 22,717,746.90</u>	<u>100.00%</u>	<u>\$ 788,279.22</u>	<u>3.91%</u>

Tuition revenue increased by \$15,607.56; District taxes increased by \$217,374.00 and miscellaneous revenues decreased by \$60,846.25.

State sources increased by \$779,135.31 and federal sources decreased by \$162,914.10.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED**

The following schedule presents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2018.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2017</u>	<u>Percent of Increase (Decrease)</u>
Current Expense:				
Instruction	\$ 9,038,158.49	39.59%	1,625,239.73	17.98%
Undistributed Expenditures	13,414,339.74	58.76%	1,573,453.35	11.73%
Capital Outlay	<u>377,891.06</u>	<u>1.66%</u>	<u>51,815.33</u>	<u>13.71%</u>
	<u>\$ 22,830,389.29</u>	<u>100.00%</u>	<u>3,250,508.41</u>	<u>14.24%</u>

Changes in expenditures were the results of varying factors. Instructional expenses decreased specifically in the areas of regular and special education instruction. Capital Outlay was less than prior years because most ongoing projects have been completed.

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

Capital Assets

At the end of the fiscal year 2018, the School District had \$5,189,431.78 invested in land, building, furniture and equipment and vehicles. Table 4 shows fiscal year 2018 balances compared to 2017.

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

	<u>2018</u>	<u>2017</u>
Land	\$ 205,000.00	205,000.00
Land Improvements	16,000.00	17,600.00
Buildings and Improvements	4,574,304.06	4,775,904.80
Machinery and Equipment	371,452.88	274,088.38
Licensed Vehicles	<u>22,674.84</u>	<u>26,860.97</u>
Total	<u>\$ 5,189,431.78</u>	<u>5,299,454.15</u>

Overall capital assets decreased \$110,022.37 from fiscal year 2017 to fiscal year 2018.

**CITY OF WILDWOOD SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
UNAUDITED**

Debt Administration

At June 30, 2018, the School District had \$497,997.50 of outstanding debt.

**Table 5
Outstanding Debt at June 30**

		2018	2017
Leases of Capital Assets	\$	180,725.41	374,900.77
Compensated Absences		317,272.09	261,485.85
Total	\$	497,997.50	636,386.62

For the Future

The Wildwood School District is presently in adequate financial condition. The School District is proud that community support of the schools have continued to grow. However, future finances are not without challenges as the community continues to grow and change in the midst of a general down-turn in the state's economy and the nation's real estate market, which has traditionally been a large part of the city's economic health. As the slow-down in new building and new businesses continues in the City of Wildwood, student population and funding could be affected.

In conclusion, the Wildwood School District has committed itself to serving the needs of all of its students and recognizes that financial excellence is necessary to fulfill that promise. In addition, the School District's system for financial planning, budgeting, and internal financial controls continues to be reviewed, assessed, and strengthened in order to meet the many challenges of the present and future.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Business Administration/Board Secretary at the City of Wildwood Board of Education, 4300 Pacific Avenue, Wildwood, New Jersey 08260.

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BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

CITY OF WILDWOOD SCHOOL DISTRICT
Statement of Net Position
June 30, 2018

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 2,480,887.31	181,943.84	2,662,831.15
Receivables, Net	1,093,071.31	73,265.62	1,166,336.93
Internal Balances	(62,376.40)	64,073.00	1,696.60
Inventory	-	5,451.79	5,451.79
Restricted Assets:			
Capital Reserve Account - Cash	1,106,298.00		1,106,298.00
Capital Assets			
Land & Construction in Progress	205,000.00		205,000.00
Capital Assets Being Depreciated, net	4,984,431.78	20,895.91	5,005,327.69
Total Assets	9,807,312.00	345,630.16	10,152,942.16
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	1,862,371.00	-	1,862,371.00
Total Deferred Outflows of Resources	1,862,371.00	-	1,862,371.00
LIABILITIES			
Accounts Payable	334,766.38	76,997.68	411,764.06
Accrued Interest Payable	1,018.36		1,018.36
Unearned Revenues	343,117.13		343,117.13
Noncurrent Liabilities			
Due Beyond One Year	497,997.50		497,997.50
Net Pension Liability	6,137,211.00		6,137,211.00
Total Liabilities	7,314,110.37	76,997.68	7,391,108.05
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	1,355,457.00	-	1,355,457.00
NET POSITION			
Net Investment in Capital Assets	4,690,415.92	20,895.91	4,711,311.83
Restricted for:			-
Capital Projects	1,355,168.71		1,355,168.71
Other Purposes	2,607,799.26		2,607,799.26
Unrestricted (Deficit)	(5,653,268.26)	247,736.57	(5,405,531.69)
Total Net Position	\$ 3,000,115.63	268,632.48	3,268,748.11

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

CITY OF WILDWOOD SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2018

Function/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 6,766,602.81	1,974,028.56	1,182,041.12	2,700,220.41	-	(4,858,369.84)	-	(4,858,369.84)
Special Education	4,496,774.00	1,311,848.88		3,445,258.11		(2,363,364.77)		(2,363,364.77)
Other Instruction	1,480,739.52	431,977.78		590,890.76		(1,321,826.54)		(1,321,826.54)
Support Services:								
Tuition	1,636,727.32					(1,636,727.32)		(1,636,727.32)
Student & Instruction Related Services	3,497,672.53	1,020,379.89		2,128,985.19		(2,389,067.23)		(2,389,067.23)
School Administrative Services	844,607.71	278,586.34		213,059.41		(910,134.64)		(910,134.64)
Plant Operation and Maintenance	1,524,772.81	518,718.73		396,709.70		(1,646,781.84)		(1,646,781.84)
Pupil Transportation	527,974.18	266,163.56		153,063.23		(641,074.51)		(641,074.51)
General and Business Services	893,525.36	440,549.95		253,347.98		(1,080,727.33)		(1,080,727.33)
Unallocated Benefits	6,066,944.13	(6,066,944.13)				-		-
Capital Outlay								
Total Governmental Activities	<u>27,736,340.37</u>	<u>175,309.56</u>	<u>1,182,041.12</u>	<u>9,881,534.79</u>	<u>-</u>	<u>(16,848,074.02)</u>	<u>-</u>	<u>(16,848,074.02)</u>
Business-Type Activities:								
Food Service	1,031,983.56		169,548.59	951,108.89		88,673.92		88,673.92
Total Business-Type Activities	<u>1,031,983.56</u>	<u>-</u>	<u>169,548.59</u>	<u>951,108.89</u>	<u>-</u>	<u>88,673.92</u>	<u>-</u>	<u>88,673.92</u>
Total Primary Government	<u>\$ 28,768,323.93</u>	<u>175,309.56</u>	<u>1,351,589.71</u>	<u>10,832,643.68</u>	<u>-</u>	<u>(16,848,074.02)</u>	<u>88,673.92</u>	<u>(16,759,400.10)</u>
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes, Net						\$ 11,086,080.00		11,086,080.00
Federal and State Aid not Restricted						5,339,791.57		5,339,791.57
Investment Earnings						-	1,190.75	1,190.75
Miscellaneous Income						87,337.42		87,337.42
Special Items:								
Transfers						-		-
Total General Revenues, Special Items, Extraordinary Items and Transfers						<u>16,513,208.99</u>	<u>1,190.75</u>	<u>16,514,399.74</u>
Change in Net Position						<u>(334,865.03)</u>	<u>89,864.67</u>	<u>(245,000.36)</u>
Net Position - Beginning						3,334,980.66	178,767.81	3,513,748.47
Net Position - Ending						<u>\$ 3,000,115.63</u>	<u>268,632.48</u>	<u>3,268,748.11</u>

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

FUND FINANCIAL STATEMENTS

The individual fund financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

CITY OF WILDWOOD SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 2,460,935.56	-	19,951.75	2,480,887.31
Receivables from Other Governments	316,372.33	647,030.02	129,668.96	1,093,071.31
Interfunds Receivable	77,266.58			77,266.58
Restricted Cash & Cash Equivalents	1,106,298.00			1,106,298.00
Total Assets	<u><u>3,960,872.47</u></u>	<u><u>647,030.02</u></u>	<u><u>149,620.71</u></u>	<u><u>4,757,523.20</u></u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	156,449.21	178,317.17		334,766.38
Payable to Other Governments	-			-
Interfunds Payable		139,642.98		139,642.98
Unearned Revenues		343,117.13		343,117.13
Total Liabilities	<u><u>156,449.21</u></u>	<u><u>661,077.28</u></u>	<u><u>-</u></u>	<u><u>817,526.49</u></u>
Fund Balances:				
Restricted Fund Balance:				
Excess Surplus	933,097.51			933,097.51
Excess Surplus - Designated for Subsequent Year's Expenditures	1,113,140.75			1,113,140.75
Capital Projects			149,620.71	149,620.71
Committed Fund Balance:				
Maintenance Reserve	501,250.00			501,250.00
Capital Reserve	1,205,548.00			1,205,548.00
Emergency Reserve	60,311.00			60,311.00
Assigned to:				
Encumbrances	14,886.52			14,886.52
Unassigned				
General Fund	(23,810.52)			(23,810.52)
Special Revenue Fund		(14,047.26)		(14,047.26)
Total Fund Balances	<u><u>3,804,423.26</u></u>	<u><u>(14,047.26)</u></u>	<u><u>149,620.71</u></u>	<u><u>3,939,996.71</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 3,960,872.47</u></u>	<u><u>647,030.02</u></u>	<u><u>149,620.71</u></u>	

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

Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$11,067,832.05 and the accumulated depreciation is \$5,878,400.27.

5,189,431.78

Pension Liabilities Net of Deferred Outflows & Inflows

(5,630,297)

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

(1,018.36)

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

(497,997.50)

\$ 3,000,115.63

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

CITY OF WILDWOOD SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	\$ 11,086,080.00			11,086,080.00
Tuition Charges	1,182,041.12			1,182,041.12
Miscellaneous	87,337.42	4,800.00		92,137.42
Total Local Sources	12,355,458.54	4,800.00	-	12,360,258.54
State Sources	7,946,318.09	769,633.51	-	8,715,951.60
Federal Sources	31,919.79	1,609,616.97		1,641,536.76
Total Revenues	<u>20,333,696.42</u>	<u>2,384,050.48</u>	<u>-</u>	<u>22,717,746.90</u>
EXPENDITURES				
Current:				
Regular Instruction	4,798,891.27			4,798,891.27
Special Education Instruction	1,566,250.45	1,622,872.68		3,189,123.13
Other Instructional Programs	1,050,144.09			1,050,144.09
Support Services:				
Tuition	1,636,727.32			1,636,727.32
Student & Instruction Related Serv.	1,747,322.86	733,235.06		2,480,557.92
School Administrative Services	677,247.33			677,247.33
Other Administrative Services	805,311.72			805,311.72
Plant Operation and Maintenance	1,261,012.56			1,261,012.56
Pupil Transportation	486,538.76			486,538.76
Employee Benefits	6,066,944.13			6,066,944.13
Capital Outlay	377,891.06	-	-	377,891.06
Total Expenditures	<u>20,474,281.55</u>	<u>2,356,107.74</u>	<u>-</u>	<u>22,830,389.29</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(140,585.13)</u>	<u>27,942.74</u>	<u>-</u>	<u>(112,642.39)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-		-	-
Transfer out	-			-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	(140,585.13)	27,942.74	-	(112,642.39)
Fund Balance (Deficit) - July 1	3,945,008.39	(41,990.00)	149,620.71	4,052,639.10
Fund Balance (Deficit) - June 30	<u>\$ 3,804,423.26</u>	<u>(14,047.26)</u>	<u>149,620.71</u>	<u>3,939,996.71</u>

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

CITY OF WILDWOOD SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2018

Total Net Change in Fund Balance - Governmental Funds (from B-2) \$ (112,642.39)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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

	Depreciation expense	\$ (290,438.35)	
	Capital Outlays	<u>203,405.00</u>	
			(87,033.35)

Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

District pension contributions - PERS	244,238.00		
Cost of benefits earned net of employee contributions	<u>(519,326.00)</u>		(275,088.00)

Repayment of capital leases is an expenditure in the governmental funds, but the payment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 194,175.36

In the statement of activities, interest on capital leases in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an reduction in the reconciliation. 1,509.59

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation (+). (55,786.24)

Change in Net Position of Governmental Activities \$ (334,865.03)

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

CITY OF WILDWOOD SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2018

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 181,943.84	181,943.84
Accounts Receivable:		
Federal	56,182.16	56,182.16
State	490.99	490.99
Other Governmental	14,145.86	14,145.86
Special Functions	333.34	333.34
Student Lunch Charges	2,113.27	2,113.27
Interfunds	64,073.00	64,073.00
Inventory	5,451.79	5,451.79
Total Current Assets	324,734.25	324,734.25
Noncurrent Assets:		
Furniture, Machinery & Equipment	125,277.15	125,277.15
Less: Accumulated Depreciation	(104,381.24)	(104,381.24)
Total Noncurrent Assets	20,895.91	20,895.91
 Total Assets	 345,630.16	 345,630.16
LIABILITIES		
Current Liabilities:		
Accounts Payable	76,997.68	76,997.68
Total Current Liabilities	76,997.68	76,997.68
NET POSITION		
Net Investment in Capital Assets	20,895.91	20,895.91
Unrestricted	247,736.57	247,736.57
 Total Net Position	 \$ 268,632.48	 268,632.48

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

CITY OF WILDWOOD SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2018

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals Enterprise
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable programs	\$ 17,929.76	\$ 17,929.76
Daily Sales - Non-reimbursable programs	147,211.61	147,211.61
Special Functions	4,138.42	4,138.42
Miscellaneous	268.80	268.80
Total Operating Revenue	<u>169,548.59</u>	<u>169,548.59</u>
Operating Expenses:		
Cost of Sales - Reimbursable programs	378,753.27	378,753.27
Cost of Sales - Non-reimbursable programs	56,225.18	56,225.18
Salaries	340,992.77	340,992.77
Employee Benefits	128,157.78	128,157.78
Materials and Supplies	17,778.14	17,778.14
Other Direct Costs	19,786.53	19,786.53
Purchased Services	80,000.00	80,000.00
Depreciation	2,093.13	2,093.13
Miscellaneous	8,196.76	8,196.76
Total Operating Expenses	<u>1,031,983.56</u>	<u>1,031,983.56</u>
Operating Income (Loss)	<u>(862,434.97)</u>	<u>(862,434.97)</u>
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	7,729.24	7,729.24
Federal Sources:		
National School Lunch Program	456,725.75	456,725.75
National School Lunch Program - PB	8,431.86	8,431.86
National School Breakfast Program	262,372.33	262,372.33
Special Snack Program	58,785.76	58,785.76
National Dinner Program	74,665.36	74,665.36
Fresh Fruit and Vegetable Program	26,173.41	26,173.41
Food Distribution Program	56,225.18	56,225.18
Interest and Investment Income	1,190.75	1,190.75
	-	-
Total Nonoperating Revenues (Expenses)	<u>952,299.64</u>	<u>952,299.64</u>
Income (Loss) before Contributions & Transfers	<u>89,864.67</u>	<u>89,864.67</u>
Transfers In (Out)	<u>-</u>	<u>-</u>
Changes in Net Position	89,864.67	89,864.67
Total Net Position - Beginning	<u>178,767.81</u>	<u>178,767.81</u>
Total Net Position - Ending	<u>\$ 268,632.48</u>	<u>\$ 268,632.48</u>

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

CITY OF WILDWOOD SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2018

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 169,162.66	169,162.66
Payments to Management Company for Operating Expenses	(999,250.33)	(999,250.33)
Net Cash Provided by (Used for) Operating Activities	<u>(830,087.67)</u>	<u>(830,087.67)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	7,624.57	7,624.57
Federal Sources	932,012.47	932,012.47
Interfunds	(8,265.75)	(8,265.75)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>931,371.29</u>	<u>931,371.29</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Assets Purchased		-
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>-</u>	<u>-</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest and Dividends	1,190.75	1,190.75
Net Cash Provided by (Used for) Investing Activities	<u>1,190.75</u>	<u>1,190.75</u>
Net Increase (Decrease) in Cash and Cash Equivalents	102,474.37	102,474.37
Balance - Beginning of Year	79,469.47	79,469.47
Balance - End of Year	<u>181,943.84</u>	<u>181,943.84</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	(862,434.97)	(862,434.97)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:		
Federal Commodities		-
Depreciation and Net Amortization	2,093.13	2,093.13
(Increase) Decrease in Accounts Receivable	7,810.83	7,810.83
(Increase) Decrease in Inventory	982.66	982.66
Increase (Decrease) in Accounts Payable	21,460.68	21,460.68
Increase (Decrease) in Prepaid Student Lunches	-	-
Total Adjustments	<u>32,347.30</u>	<u>32,347.30</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (830,087.67)</u>	<u>(830,087.67)</u>

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

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Statement of Net Position
June 30, 2018

	<u>Unemployment Compensation</u>	<u>Private Purpose Scholarship Fund</u>	<u>Agency Fund</u>
ASSETS			
Cash and Cash Equivalents	\$ 107,386.57	\$ 339,982.51	\$ 90,296.99
Interfunds Receivable	1,641.25		-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 109,027.82</u>	<u>\$ 339,982.51</u>	<u>\$ 90,296.99</u>
LIABILITIES			
Accounts Payable	\$ 3,661.68	\$ -	\$ -
Payroll Deductions and Withholdings			10,446.72
Interfunds Payable	-		1,696.60
Due to Student Groups			78,153.67
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>3,661.68</u>	<u>-</u>	<u>\$ 90,296.99</u>
NET POSITION			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 105,366.14</u>		
Reserved for Scholarships		<u>\$ 339,982.51</u>	

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

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2018

	Unemployment Compensation	Private Purpose Scholarship Fund
ADDITIONS		
Contributions:		
Plan Member	\$ 30,723.24	\$ -
Other	-	101,168.82
Total Contributions	55,723.24	101,168.82
Investment Earnings:		
Net Increase (Decrease) in Fair Value		
Interest	723.54	-
Less: Investment Expense		
Net Investment Earnings	723.54	-
Total Additions	56,446.78	101,168.82
DEDUCTIONS		
Unemployment Claims	18,341.67	
Scholarships Awarded		53,375.00
Other	11,439.69	
Total Deductions	29,781.36	53,375.00
Changes in Net Position	26,665.42	47,793.82
Net Position (Deficit) - Beginning of the Year	78,700.72	292,188.69
Net Position - End of the Year	\$ 105,366.14	\$ 339,982.51

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Wildwood School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education (Board) of the City of Wildwood School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. Reporting Entity

The City of Wildwood School District is a Type II district located in the County of Cape May, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. Effective with the 2012 fiscal year, the election of Board Members was moved to the general election in November resulting in the members whose term would have expired in April of 2012 being carried over to December 31, 2012. The purpose of the district is to educate students in grades K-12. The City of Wildwood School District had an enrollment at June 30, 2018 of 823 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name);
- the District holds the corporate powers of the organization;
- the District appoints a voting majority of the organization's board;
- the District is able to impose its will on the organization;
- the organization has the potential to impose a financial benefit/burden on the District;
- there is a fiscal dependency by the organization on the District;

Based on the aforementioned criteria, the District has no component units.

B. Basic Financial Statements – Government Wide Financial Statements

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

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

City of Wildwood School District
Notes to Financial Statements
June 30, 2018

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

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

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

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

C. Basic Financial Statements – Fund Financial Statements

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

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

The following fund types are used by the District:

Governmental Funds:

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

- a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Fund Balances – Governmental Funds

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

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

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

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

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

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

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

Proprietary Funds:

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

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

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

Fiduciary Funds:

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

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

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

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

D. Basis of Accounting

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

1. Accrual:

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

2. Modified Accrual:

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

E. Financial Statement Amounts

1. Cash and Cash Equivalents:

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

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

NJSA 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental units.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

2. Investments:

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

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2018, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	\$	3,770.39
Supplies		<u>1,681.40</u>
	\$	<u>5,451.79</u>

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2018 is \$0.

4. Capital Assets:

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

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

5. Revenues:

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

6. Expenditures:

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

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

7. Compensated Absences:

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

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

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

8. Interfund Activity:

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

9. Budgets/Budgetary Control:

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

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

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

Regular Programs-Instruction	
Grade 1-5	(99,229.00)
Grade 6-8	284,229.00
Grade 9-12	95,000.00
Resource Room/Resource Center	
Salaries of Teachers	(82,727.00)
Basic Skills/Remedial	
Salaries of Teachers	(172,273.00)
Undistributed Expenditures-Instruction	
Tuition to Other LEAs w/in State	95,155.19
Tuition to CSSD & Regional Day Schools	(139,608.38)
Unallocated Benefits-Employee Benefits	
Health Benefits	189,982.00

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

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

10. Encumbrances

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

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

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

11. Tuition Receivable

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

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

12. Tuition Payable

Tuition charges for the fiscal years 2017/18 and 2016/17 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

13. Use of Estimates

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

14. Allocation of Costs

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

15. Pensions:

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

F. Recent Accounting Pronouncements Not Yet Effective

In November 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 83 "Certain Asset Retirement Obligations". This statement, which is effective for fiscal periods beginning after June 15, 2018, will not have any effect on the District's financial reporting.

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84 "Fiduciary Activities." This statement, which is effective for fiscal periods beginning after December 15, 2018, will not have any effect on the District's financial reporting.

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87 "Leases". This statement, which is effective for reporting periods beginning after December 15, 2019, may have an effect on the District's financial reporting.

In April 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 88, "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements". This statement is effective for fiscal periods beginning after June 15, 2018, will not have any effect on the District's financial reporting.

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period". This statement is effective for fiscal periods beginning after December 15, 2019, will not have any effect on the District's financial reporting.

In August 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 90, "Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61". This statement is effective for fiscal periods beginning after December 15, 2018, will not have any effect on the District's financial reporting.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

NOTE 2 – CASH AND CASH EQUIVALENTS

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2018, \$0 of the government's bank balance of \$4,881,699.84 was exposed to custodial credit risk.

NOTE 3 – INVESTMENTS

As of June 30, 2018, the District had the following investments:

	Maturities	Fair Value
Certificate of Deposit	6 months	\$ 8,692.80
Total		<u>\$ 8,692.80</u>

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

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

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

NOTE 4 – RECEIVABLES

Receivables at June 30, 2018, consisted of accounts (tuition), interfund, and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government Wide Financial Statements
State Aid	\$ 188,098.11	\$ 188,589.10
Federal Aid	642,030.02	698,212.18
Other	<u>347,468.96</u>	<u>364,061.43</u>
Gross Receivables	1,177,597.09	1,250,862.71
Less: Allowance for Uncollectibles		
Total Receivables, Net	<u>\$ 1,177,597.09</u>	<u>\$ 1,250,862.71</u>

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

NOTE 5 – INTERFUND TRANSFERS AND BALANCES

The following interfund balances remained on the fund financial statements at June 30, 2018:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 77,266.58	
Special Revenue Fund		(139,642.98)
Food Service Fund	64,073.00	
Trust and Agency Funds		(1,696.60)
Total	<u>\$ 141,339.58</u>	<u>(141,339.58)</u>

The General Fund receivable is an overall net receivable comprised of a few things. \$139,642.98 is due from the Special Revenue Fund as a result of expenditures being incurred for grants prior to reimbursements received. There is also an interfund due from the Trust and Agency Funds for payroll interest of \$1,696.60 earned due to the general fund. Finally, there is an interfund payable from the General Fund to the Food Service Fund of \$64,073.00 for the meal subsidy reimbursements that are to be turned over to the Food Service Fund.

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**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Beginning Balance	Additions	Disposals/ Adjustments	Ending Balance
Governmental activities:				
Capital assets, not depreciated:				
Land	\$ 205,000.00			205,000.00
Construction in Progress	-			-
Total capital assets not being depreciated	<u>205,000.00</u>	<u>-</u>	<u>-</u>	<u>205,000.00</u>
Capital assets being depreciated:				
Land Improvements	76,050.67			76,050.67
Buildings and building improvements	9,835,568.73			9,835,568.73
Machinery and equipment	852,324.65	203,405.00	138,006.00	917,723.65
Licensed Vehicles	33,489.00			33,489.00
Total capital assets being depreciated	<u>10,797,433.05</u>	<u>203,405.00</u>	<u>138,006.00</u>	<u>10,862,832.05</u>
Less accumulated depreciation for:				
Land Improvements	(58,450.67)	(1,600.00)		(60,050.67)
Buildings and building improvements	(5,059,663.93)	(201,600.74)		(5,261,264.67)
Machinery and equipment	(601,225.29)	(72,160.66)	(127,115.18)	(546,270.77)
Licensed Vehicles	(6,628.03)	(4,186.13)		(10,814.16)
Total accumulated depreciation	<u>(5,725,967.92)</u>	<u>(279,547.53)</u>	<u>(127,115.18)</u>	<u>(5,878,400.27)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>5,071,465.13</u>	<u>(76,142.53)</u>	<u>10,890.82</u>	<u>4,984,431.78</u>
Governmental activity capital assets, net	<u>5,276,465.13</u>	<u>(76,142.53)</u>	<u>10,890.82</u>	<u>5,189,431.78</u>
Business-type activities:				
Capital assets being depreciated:				
Machinery and equipment	125,277.15			125,277.15
Less accumulated depreciation	(102,288.13)	(2,093.13)		(104,381.26)
Business-type capital assets, net	<u>\$ 22,989.02</u>	<u>(2,093.13)</u>	<u>-</u>	<u>20,895.89</u>

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 107,203.49
Special Ed. Instruction	71,242.52
Other Special Ed.	23,459.40
Student and Instruction Related Services	55,413.73
General and Business Administration	17,990.04
School Administration	15,129.18
	<u>\$ 290,438.36</u>

**City of Wildwood School District
Notes to Financial Statements
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No interest on debt was capitalized during the year and the amount of interest expense paid on long term debt was \$1,018.36

NOTE 7 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2018 are as follows:

	Balance June 30, 2017	Issues or Additions	Payments or Expenditures	Balance June 30, 2018	Amounts Due Within One Year
Obligations under Capital Leases	\$ 374,900.77	-	194,175.36	180,725.41	180,000.00
Compensated Absences	261,485.85	80,129.34	24,343.10	317,272.09	-
	<u>\$ 636,386.62</u>	<u>80,129.34</u>	<u>218,518.46</u>	<u>497,997.50</u>	<u>180,000.00</u>

Compensated absences have been liquidated in the General Fund.

NOTE 8 – OPERATING LEASES

The district entered into a new lease agreement for the rental of several district-wide copy machines. The lease provides for monthly payments of \$2,438.33 with the last lease terminating in August of 2021. Rental expense for the year ended June 30, 2018 was \$35,896.06. The district also leased classroom space for the preschool program for 2017-2018 from St. Simeon's By the Sea. Rental expense for the year ended June 30, 2018 was \$130,563.17. Future minimum lease payments are as follows:

Fiscal Year End June 30,	Payment
2019	34,172.04
2020	33,075.34
2021	5,256.74
Total	<u>\$ 72,504.12</u>

NOTE 9 – PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/annrpts/achive.htm>.

City of Wildwood School District
Notes to Financial Statements
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Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District has no employees enrolled in the Defined Contribution Retirement Program (DCRP) during the fiscal year ended June 30, 2018.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 7.06% and the PERS rate is 7.06% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2018, 2017 and 2016 were \$0, \$0 and \$0, respectively. The School District's contributions to PERS for the years ending June 30, 2018, 2017 and 2016 were \$248,909.23, \$223,437.00 and \$206,992.00, respectively, equal to the required contributions for each year.

City of Wildwood School District
Notes to Financial Statements
June 30, 2018

During the fiscal years ended June 30, 2018, 2017 and 2016, the State of New Jersey contributed \$791,487.00, \$754,865.00 and \$760,044.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$619,913.31, \$617,705.88 and \$608,129.07, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation

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

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

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

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

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

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

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

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

NOTE 10: PUBLIC EMPLOYEES RETIREMENT SYSTEM

At June 30, 2018, the District reported a liability of \$6,137,211.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the District's proportion was 0.02636439900 %, which was an increase of 4.86% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2017, the District recognized pension expense of \$519,326.00. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	144,510.00	
Changes of assumptions	1,236,436.00	(1,231,903.00)
Net difference between projected and actual earnings on pension plan investments	41,790.00	
Changes in proportion and differences between District contributions and proportionate share of contributions	439,635.00	(123,554.00)
District contributions subsequent to the measurement date	244,238.00	
Total	<u>\$ 2,106,609.00</u>	<u>\$ (1,355,457.00)</u>

**City of Wildwood School District
Notes to Financial Statements
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\$244,238.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (June 30, 2017) will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,		
2019	\$	403,288.00
2020		585,917.00
2021		348,032.00
2022		(465,299.00)
2023		(365,024.00)
Total	\$	<u>506,914.00</u>

Actuarial Assumptions

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following assumptions, applied to all period in the measurement:

Inflation rate	2.25%
Salary increases:	
Through 2026	1.65% - 4.15% (based on age)
Thereafter	2.65% - 5.15% (based on age)
Investment rate of return:	7.00%

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more experience deviates, the larger the impact on future financial statements.

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In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflations. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.50%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real asset	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. equity	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

Discount Rate

The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

**City of Wildwood School District
Notes to Financial Statements
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The following presents the collective net pension liability of the participated employers as of June 30, 2017, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Decrease (4.00%)	Rate (5.00%)	Increase (6.00%)
District's proportionate share of the net pension liability	7,363,171.65	6,137,211.00	5,117,156.99

Pension plan fiduciary net position.

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

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

At June 30, 2018, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ -
State's proportionate share of the net position liability associated with the District	<u>54,305,204.00</u>
Total	<u>\$ 54,305,204.00</u>

The net pension liability was measured as of June 30, 2017 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2017, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized pension expense of \$3,761,990.00 and revenue of \$3,761,990.00 for support provided by the State. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to TPAF from the following sources:

**City of Wildwood School District
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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 355,290.00	(92,932.00)
Changes of assumptions	10,775,290.00	(9,411,372)
Net difference between projected and actual earnings on pension plan investments	275,061.00	
Changes in proportion and differences between District contributions and proportionate share of contributions	219,908.00	
District contributions subsequent to the measurement date	904,430.00	
Total	<u>\$ 12,529,979.00</u>	<u>(9,504,304.00)</u>

\$904,430.00 reported as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date (June 30, 2017) will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2019	\$ 896,185.00
2020	1,423,127.00
2021	1,189,934.00
2022	667,172.00
2023	756,384.00
Thereafter	(2,075,242.00)
Total	<u>\$ 2,857,560.00</u>

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following assumptions, applied to all period included in the measurement:

Inflation Rate	2.25%
Salary increases	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment rate of return	7.00%

**City of Wildwood School District
Notes to Financial Statements
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Pre-retirement, post-retirement and disable mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60 year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real asset	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. equity	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%
Emerging market equity	6.50%	11.64%
Buyouts venture capital	8.25%	13.08%

Discount rate. The discount rate used to measure the total pension liability was 4.25% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2036. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2036, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

**City of Wildwood School District
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The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 4.25% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.25%) or 1-percentage point higher (5.25%) than the current rate:

	1% Decrease (3.25)	Current Discount Rate (4.25%)	1% Increase (5.25%)
District's proportionate share of the net pension liability	\$ -	-	-

Pension plan fiduciary net position.

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

NOTE 12 – OTHER POST-RETIREMENT BENEFITS

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

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 53, 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.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Employees covered by benefit terms:

At June 30, 2018, the following employees were covered by the benefit terms:

TPAF participant retirees:

As of June 30, 2017, there were 112,966 retirees receiving post-retirement medical benefits, and the State contributed \$1.39 billion on their behalf.

PERS participant retirees:

The State paid \$238.9 million toward Chapter 126 benefits for 20,913 eligible retired members in Fiscal Year 2017.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

Total OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportional share percentage determined under paragraphs 193 and 203 through 205 of GASBS no. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education.

Actuarial assumptions and other imputes:

The total OPEB liability in the June 30, 2017 actuarial valuation reported by the State in the State's most recently issued CAFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate: The Bond Buyer General Obligation 20-Bond Municipal Bond Index is used for the determination of the discount rate. The discount rate used for the fiscal year ending June 30, 2017 is 3.58%.

Health Care Trend: For pre-Medicare PPO medical benefits, the initial amount is 5.9% and decreases to 5.0% long term trend rate after 9 years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For HMO medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after 9 years. For prescription drug benefits, the initial trend rate is 10/5% decreasing to a 5.0% long-term trend rate after 8years. For Medicare Part-B reimbursement, the trend rate is 5.0%.

Salary Scale: The salary scale assumptions will be consistent with the salary scale assumptions used in the pension plans and the calculation of the retiree health contributions for current and future retirees who are subject to Chapter 78. The PERS and TPAF pension actuarial reports are used for the fiscal year ending June 30, 2018.

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

Mortality rates were based on the following:

Pre-retirement Healthy Mortality: RP-2014 headcount-weighted healthy employee male/female mortality table with fully generational mortality improvement projections from the central year using scale MP-2017.

Post-retirement Healthy Mortality: RP-2014 headcount-weighted healthy annuitant male/female mortality table with fully generational improvement projections from the central year using scale MP-2017.

Disabled Mortality: RP-2014 headcount-weighted disabled male/female mortality table with fully generational improvement projections from the central year using scale MP-2017

City of Wildwood School District
Notes to Financial Statements
June 30, 2018

Changes in the Total OPEB liability reported by the State of New Jersey:

Balance at 6/30/16	\$ 57,831,784,184.00
Changes for the year:	
Service cost	2,391,878,884.00
Interest	1,699,441,736.00
Changes in assumptions or other inputs	(7,086,599,129.00)
Contributions: Member	45,748,749.00
Benefit payments	<u>(1,242,412,566.00)</u>
Net changes	<u>(4,191,942,326.00)</u>
Balance at 6/30/17	<u><u>\$ 53,639,841,858.00</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.85% in 2016 to 3.58% in 2017.

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the State for school board retirees, as well as what the state's total OPEB liability for school boards would be if it were calculated using a discount rate that 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease</u> (2.58%)	<u>Discount Rate</u> (3.58%)	<u>1% Increase</u> (4.58%)
Total OPEB Liability (School Retirees)	63,674,362,200.00	53,639,841,858.00	45,680,364,953.00

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The following presents the total OPEB liability of the State, as well as what the State's total OPB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability (School Retirees)	44,113,584,560.00	53,639,841,858.00	66,290,599,457.00

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the board of education recognized OPEB expense of \$2,792,965.00 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

deferred inflows of resources. At June 30, 2017, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	
Changes of assumptions		6,343,769,032.00
Net difference between projected and actual earnings on pension plan investments		
Changes in proportion and differences between District contributions and proportionate share of contributions		
Contributions subsequent to the measurement date	<u>1,190,373,242.00</u>	
Total	<u>\$ 1,190,373,242.00</u>	<u>6,343,769,032.00</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2019	\$ (742,830,097.00)
2020	(742,830,097.00)
2021	(742,830,097.00)
2022	(742,830,097.00)
2023	(742,830,097.00)
Thereafter	<u>(2,629,618,547.00)</u>
Total	<u>\$ (6,343,769,032.00)</u>

(Contributions made after June 30, 2017 are reported as deferred outflow of resources but are not amortized in the expense.)

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

NOTE 13 – COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years as long as it does not violate Title 18A. Upon retirement employees shall be paid by the District for unused sick leave in accordance with the District's agreements with the various employee unions.

City of Wildwood School District
Notes to Financial Statements
June 30, 2018

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2018, no liability existed for compensated absences in the Food Service Enterprise Fund.

NOTE 14 – DEFERRED COMPENSATION

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

- VALIC (Variable Annuity Life Insurance Co.)
- Lincoln Investment Planning Inc.
- Thomas Seely Agency, Inc.
- Equitable (Equi-Vest)
- Smith Barney
- Siracusa Benefits Program

NOTE 15 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by City of Wildwood Board of Education by the inclusion of \$1.00 on October 10, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes 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 by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its LRFP.

The activity of the capital reserve for the July 1, 2017 to June 30, 2018 fiscal year is as follows:

Beginning Balance, July 1, 2017	\$ 805,298.00
Excess Funds Transferred by Board Resolution - June 2018	400,250.00
	1,205,548.00
Appropriated Withdrawal	_____
Ending Balance, June 30, 2018	\$ 1,205,548.00

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

NOTE 16 – RISK MANAGEMENT

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

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability and surety bonds. During the fiscal year ended June 30, 2018 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

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

<u>Fiscal Year</u>	<u>Interest on Investments</u>	<u>Employee/Board Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017-2018	\$ 723.54	55,723.24	(29,781.36)	105,366.14
2016-2017	427.82	56,067.16	(69,115.14)	78,700.72
2015-2016	326.01	58,051.84	(24,608.58)	91,320.88

NOTE 17 – CONTINGENT LIABILITIES

Federal and State Grants

The District participates in a number of federal and state grant programs. The grant programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance would result in the disallowance of program expenditures.

NOTE 18 – ECONOMIC DEPENDENCY

The District receives support from federal government and from the state governments through local school districts. A significant reduction in the level of support, if this were to occur, would have an effect on the District’s programs and activities.

NOTE 19 – LITIGATION

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

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

NOTE 20 – COMMITMENTS

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

Fund	Amount
General Fund Encumbered Orders	\$ 14,886.52
Special Revenue Fund - Encumbered Orders	858.94
	\$ 15,745.46

NOTE 21 – FUND BALANCE APPROPRIATED

General Fund – Of the \$3,804,423.26 General Fund fund balance, at June 30, 2018, \$14,886.52 is reserved for encumbrances, however \$0.00 is shown as committed on the balance sheet since GASB requires that unassigned fund balance cannot be a deficit when assigned balances are available; \$2,046,238.26 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$1,113,140.75 of the total reserve for excess surplus will be appropriated and included as anticipated revenue for the year ending June 30, 2018), \$1,205,548.00 has been reserved in the Capital Reserve Account; \$501,250.00 has been reserved in a Maintenance Reserve Account; \$60,311.00 has been reserved in an Emergency Reserve Account; and -\$23,810.52 is classified as unassigned, after adjusting.

NOTE 22 – CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2018 is \$2,046,238.26, of which \$1,113,140.75 has been appropriated and included as anticipated revenue for the year ended June 30, 2019.

NOTE 23 – DEFICIT FUND BALANCES

The District has a deficit fund balance of \$14,074.26 in the Special Revenue Fund as of June 30, 2018 as reported in the fund statements (modified accrual basis). N.J.S.A.18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. This amount was \$14,074.26 in the Special Revenue Fund. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

**City of Wildwood School District
Notes to Financial Statements
June 30, 2018**

NOTE 24 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2018 through January 25, 2019, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 11,086,080.00		\$ 11,086,080.00	\$ 11,086,080.00	\$ -
Tuition	880,603.00		880,603.00	969,161.12	88,558.12
State Homeless Tuition	750.00		750.00	212,880.00	212,880.00
Interest Earned on Investments	72,671.00		72,671.00	750.00	-
Miscellaneous	12,040,104.00		12,040,104.00	86,587.42	13,916.42
Total Local Sources	<u>12,040,104.00</u>	<u>-</u>	<u>12,040,104.00</u>	<u>12,355,458.54</u>	<u>315,354.54</u>
State Sources:					
Extraordinary Aid	40,000.00		40,000.00	45,762.00	5,762.00
Categorical Special Education Aid	402,345.00		402,345.00	402,345.00	-
Equalization Aid	863,844.00		863,844.00	863,844.00	-
Categorical Security Aid	277,022.00		277,022.00	277,022.00	-
Adjustment Aid	3,525,216.00	(104,221.00)	3,420,995.00	3,420,995.00	-
Emergency Aid	104,221.00	104,221.00	104,221.00	104,221.00	-
Categorical Transportation Aid	119,536.00		119,536.00	119,536.00	-
PARC Readiness Aid	7,750.00		7,750.00	7,750.00	-
Per Pupil Growth Aid	7,750.00		7,750.00	7,750.00	-
Professional Learning Community Aid	7,610.00		7,610.00	7,610.00	-
Lead Testing Reimbursement				2,385.00	2,385.00
TPAF Contributions (On-Behalf - Non-Budgeted):					
Pension Contributions				1,225,443.00	1,225,443.00
Post Retirement Medical Contributions				791,487.00	791,487.00
Long-Term Disability Insurance				1,603.00	1,603.00
TPAF Social Security (Reimbursed- Non-Budgeted)				619,913.31	619,913.31
Total State Sources	<u>5,251,073.00</u>	<u>-</u>	<u>5,251,073.00</u>	<u>7,897,666.31</u>	<u>2,646,593.31</u>
Federal Sources:					
Medicaid Reimbursement	42,721.00		42,721.00	31,919.79	(10,801.21)
Total Federal Sources	<u>42,721.00</u>	<u>-</u>	<u>42,721.00</u>	<u>31,919.79</u>	<u>(10,801.21)</u>
Total Revenues	<u>17,333,898.00</u>	<u>-</u>	<u>17,333,898.00</u>	<u>20,285,044.64</u>	<u>2,951,146.64</u>

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
EXPENDITURES:					
CURRENT EXPENSE					
REGULAR PROGRAMS - INSTRUCTION					
Preschool Salaries	\$ 3,000.00	10,000.00	13,000.00	7,313.53	5,686.47
Kindergarten Salaries of Teachers	218,239.00	(50,000.00)	168,239.00	154,531.44	13,707.56
Grades 1 - 5 Salaries of Teachers	1,318,573.00	(99,229.00)	1,219,344.00	1,170,774.05	48,569.95
Grades 6 - 8 Salaries of Teachers	903,668.00	284,229.00	1,187,897.00	1,151,031.61	36,865.39
Grades 9 - 12 Salaries of Teachers	1,873,889.00	95,000.00	1,968,889.00	1,923,540.68	45,348.32
Regular Programs - Home Instruction					
Salaries of Teachers	15,000.00	(4,688.40)	10,311.60	10,311.60	-
Purchased Professional - Educational Services	10,000.00	(5,311.60)	4,688.40		4,688.40
Regular Programs - Undistributed Instruction					
Personal Services - Salaries			-		-
Other Salaries for Instruction	12,750.00	7,000.00	19,750.00	18,251.40	1,498.60
Purchased Professional - Educational Services	73,000.00	(25,000.00)	48,000.00	10,109.50	37,890.50
Purchased Technical Services	9,000.00		9,000.00	3,355.76	5,644.24
Other Purchased Services (400-500 series)	112,950.00	(2,000.00)	110,950.00	66,673.01	44,276.99
General Supplies	298,659.00	(30,700.00)	267,959.00	261,233.62	6,725.38
Textbooks	15,000.00	2,033.02	17,033.02	16,939.47	93.55
Other Objects	9,500.00		9,500.00	4,825.60	4,674.40
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,873,228.00	181,333.02	5,054,561.02	4,798,891.27	255,669.75
Multiple Disabilities					
Salaries of Teachers	278,854.00	5,293.00	284,147.00	284,146.36	0.64
Other Salaries for Instruction	117,216.00	(1,263.00)	115,953.00	112,483.52	3,469.48
General Supplies	4,000.00	2,812.09	6,812.09	6,051.16	760.93
Textbooks	1,000.00	(500.00)	500.00		500.00
Total Multiple Disabilities	401,070.00	6,342.09	407,412.09	402,681.04	4,731.05
Resource Room/Resource Center					
Salaries of Teachers	1,131,593.00	(82,727.00)	1,048,866.00	1,023,616.60	25,249.40
General Supplies	15,000.00	(2,312.09)	12,687.91	4,982.17	7,705.74
Textbooks	2,000.00		2,000.00		2,000.00
Total Resource Room/Resource Center	1,148,593.00	(85,039.09)	1,063,553.91	1,028,598.77	34,955.14

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Preschool Disabilities - Full Time					
Salaries of Teachers	61,557.00	5,900.00	67,457.00	67,222.00	235.00
Other Salaries for Instruction	23,539.00		23,539.00	23,169.00	370.00
General Supplies	1,000.00		1,000.00	859.84	140.16
Total Preschool Disabilities - Full Time	86,096.00	5,900.00	91,996.00	91,250.84	745.16
Home Instruction					
Salaries of Teachers	15,000.00	7,500.00	22,500.00	21,295.80	1,204.20
Purchased Professional - Educational Services	5,000.00	17,500.00	22,500.00	22,424.00	76.00
Total Home Instruction	20,000.00	25,000.00	45,000.00	43,719.80	1,280.20
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,655,759.00	(47,797.00)	1,607,962.00	1,566,250.45	41,711.55
Basic Skills/Remedial					
Salaries of Teachers	401,775.00	(172,273.00)	229,502.00	196,161.36	33,340.64
Total Basic Skills/Remedial	401,775.00	(172,273.00)	229,502.00	196,161.36	33,340.64
Bilingual Education - Instruction					
Salaries of Teachers	369,501.00	(34,930.00)	334,571.00	285,906.56	48,664.44
Other Salaries for Instruction	71,305.00		71,305.00	56,386.00	14,919.00
Supplies and Materials	2,000.00		2,000.00	121.26	1,878.74
Total Bilingual Education - Instruction	442,806.00	(34,930.00)	407,876.00	342,413.82	65,462.18
School-Spon. Occurricular Activities - Instruction					
Salaries	91,000.00		91,000.00	76,398.30	14,601.70
Purchased Services (300-500 series)	4,000.00		4,000.00	2,706.50	1,293.50
Supplies and Materials	9,000.00	-	9,000.00	4,074.79	4,925.21
Other Objects	1,000.00		1,000.00		1,000.00
Total School-Spon. Occurricular Activities - Inst.	105,000.00	-	105,000.00	83,179.59	21,820.41

**CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
School-Spon. Cocurricular Athletics - Instruction					
Salaries	364,571.00		364,571.00	313,102.96	51,468.04
Purchased Services (300-500 series)	50,000.00		50,000.00	28,717.79	21,282.21
Supplies & Materials	80,000.00	5,155.00	85,155.00	74,395.03	10,759.97
Other Objects	12,000.00	500.00	12,500.00	12,173.54	326.46
Total School-Spon. Cocurricular Athletics - Inst.	506,571.00	5,655.00	512,226.00	428,389.32	83,836.68
Community Service Operations					
Salaries	5,000.00		5,000.00		5,000.00
Total Community Services	5,000.00	-	5,000.00	-	5,000.00
TOTAL OTHER INSTRUCTIONAL PROGRAMS- INSTRUCTION	1,461,152.00	(201,548.00)	1,259,604.00	1,050,144.09	209,459.91
TOTAL INSTRUCTION	7,990,139.00	(68,011.98)	7,922,127.02	7,415,285.81	506,841.21
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	104,468.00	95,155.19	199,623.19	199,623.19	-
Tuition to Other LEAs Within the State-Special	25,000.00	(12,546.81)	12,453.19	12,453.19	-
Tuition to County Voc. School Dist. - Regular	200,614.00		200,614.00	200,614.00	-
Tuition to County Voc. School Dist. - Special	16,184.00		16,184.00	16,184.00	-
Tuition to CSSD & Regional Day Schools	926,528.00	(139,608.38)	786,919.62	764,972.44	21,947.18
Tuition to Private Schools for the Disabled - Within State			-		-
Tuition - State Facilities	310,355.00	(30,000.00)	280,355.00	260,067.50	20,287.50
Total Undistributed Expenditures - Instruction	182,813.00		182,813.00	182,813.00	-
	1,765,962.00	(87,000.00)	1,678,962.00	1,636,727.32	42,234.68
Undistributed Expend. - Attend. & Social Worker					
Salaries	79,714.00	1.00	79,715.00	79,714.08	0.92
Other Purchased Services (400-500 series)	20,000.00	(3,500.00)	16,500.00	10,347.00	6,153.00
Supplies & Materials	250.00	(1.00)	249.00		249.00
Total Undist. Expend. - Attend. & Social Worker	99,964.00	(3,500.00)	96,464.00	90,061.08	6,402.92

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undistributed Expend. - Health Services					
Salaries	156,232.00	(7,775.00)	148,457.00	134,193.45	14,263.55
Purchased Professional and Technical Services	38,000.00		38,000.00	33,072.50	4,927.50
Purchased Services (400-500 series)	3,700.00		3,700.00	977.50	2,722.50
Supplies & Materials	7,000.00	3,500.00	10,500.00	5,114.82	5,385.18
Other Objects	300.00		300.00	170.00	130.00
Total Undistributed Expend. - Health Services	205,232.00	(4,275.00)	200,957.00	173,528.27	27,428.73
Undist. Expend. - Speech, OT, PT & Related Services					
Related Services					
Salaries	114,640.00		114,640.00	114,140.00	500.00
Purchased Professional - Educational Services	40,000.00	17,500.00	57,500.00	51,945.00	5,555.00
Supplies & Materials	2,500.00		2,500.00	1,736.61	763.39
Other Objects	200.00		200.00	200.00	-
Total Undist. Expend. - Speech, OT, PT and Related Services	157,340.00	17,500.00	174,840.00	167,821.61	7,018.39
Undist. Expend. - Other Support Services - Students					
Extraordinary Services					
Salaries	140,684.00		140,684.00	121,876.40	18,807.60
Purchased Professional - Educational Services	113,800.00	(17,500.00)	96,300.00	72,098.50	24,201.50
Supplies & Materials	2,500.00		2,500.00	219.90	2,280.10
Undist. Expend. - Other Support Services - Students Extra Services	256,984.00	(17,500.00)	239,484.00	194,194.80	45,289.20
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	237,576.00	(0.08)	237,575.92	236,091.79	1,484.13
Salaries of Secretarial and Clerical Assistants	104,594.00	0.08	104,594.08	99,637.31	4,956.77
Purchased Professional and Technical Services	2,000.00		2,000.00	-	2,000.00
Other Purchased Services (400-500 series)	800.00		800.00	61.02	738.98
Supplies & Materials	4,850.00		4,850.00	4,349.99	500.01
Total Undist. Expend. - Other Support Services Guidance	349,820.00	-	349,820.00	340,140.11	9,679.89

**CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undist. Expend. - Other Support Serv. Students - Child Study Teams					
Salaries of Other Professional Staff	409,364.00		409,364.00	374,841.73	34,522.27
Salaries of Secretarial and Clerical Assistants	23,806.00		23,806.00	23,805.84	0.16
Other Salaries	10,000.00		10,000.00	5,315.60	4,684.40
Other Purchased Professional and Tech. Services	30,000.00		30,000.00	28,173.75	1,826.25
Misc. Purchased Serv. (400-500 series Other Than Resid. Costs)	27,000.00		27,000.00	18,311.14	8,688.86
Supplies & Materials	6,000.00	539.00	6,539.00	4,801.25	1,737.75
Other Objects	1,500.00		1,500.00	1,055.00	445.00
Total Undist. Expend. - Other Support Services Students - Child Study Teams	507,670.00	539.00	508,209.00	456,304.31	51,904.69
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	98,365.00	0.50	98,365.50	98,365.44	0.06
Salaries of Secr and Clerical Assist.	23,806.00	0.50	23,806.50	23,806.08	0.42
Other Salaries	16,000.00		16,000.00	14,289.60	1,710.40
Other Purchased Professional and Tech. Services	3,500.00		3,500.00	1,225.44	2,274.56
Other Purchased Services (400-500 series)	2,000.00	(1.00)	1,999.00	324.03	1,674.97
Supplies & Materials	10,000.00		10,000.00	1,849.00	8,151.00
Other Objects	153,671.00	-	153,671.00	139,859.59	13,811.41
Total Undist. Expend. - Improvement of Inst. Serv.	207,348.00	0.00	207,348.00	199,660.18	7,687.82
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	67,357.00	7,775.00	75,132.00	54,055.84	21,076.16
Salaries of Technology Coordinators	73,317.00	1.00	73,318.00	73,317.12	0.88
Other Purchased Services (400-500 series)	10,000.00		10,000.00	4,974.00	5,026.00
Supplies & Materials	23,000.00	(1.00)	22,999.00	3,373.32	19,625.68
Other Objects	500.00		500.00		500.00
Total Undistributed Expenditures - Educational Media Services - School Library	174,174.00	7,775.00	181,949.00	135,720.28	46,228.72

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undist. Expend. - Instr. Staff Training Serv.					
Purchased Professional - Educational Services	45,000.00	4,500.00	49,500.00	49,500.00	-
Other Purchased Services (400-500 series)	5,000.00	(4,500.00)	500.00	86.55	413.45
Supplies & Materials	1,000.00		1,000.00	106.26	893.74
Total Undistributed Expenditures - Instr. Staff Training Serv.	51,000.00	-	51,000.00	49,692.81	1,307.19
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	208,247.00	0.04	208,247.04	208,247.04	-
Legal Services	21,000.00	57,901.59	78,901.59	60,484.98	18,416.61
Audit Services	30,000.00	1,200.00	31,200.00	31,200.00	-
Architect Services		8,750.00	8,750.00	6,125.00	2,625.00
Other Purchased Professional Services	15,000.00	2,605.31	17,605.31	17,605.31	-
Communications/Telephone	30,000.00	16,246.36	46,246.36	46,246.36	-
BOE - Other Purchased Services	2,000.00	(302.00)	1,698.00	1,698.00	-
Other Purchased Services (400-500 series)	40,000.00	(1,202.04)	38,797.96	38,749.26	48.70
General Supplies	5,000.00	(3,716.35)	1,283.65	1,283.65	-
Miscellaneous Expenditures	6,000.00	(667.50)	5,332.50	5,332.50	-
BOE Membership Dues and Fees	10,500.00	(1,082.41)	9,417.59	9,417.59	-
Total Undist Expend - General Administration	367,747.00	79,733.00	447,480.00	426,389.69	21,090.31
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistance Principals	372,885.00	(12,905.00)	359,980.00	355,618.34	4,361.66
Salaries of Other Professional Staff	47,430.00	7,905.00	55,335.00	55,334.44	0.56
Salaries of Secretarial and Clerical Assistants	192,666.00	40,000.00	232,666.00	228,890.82	3,775.18
Other Salaries	500.00	15,000.00	15,500.00	6,955.52	8,544.48
Other Purchased Professional and Tech. Services	500.00		500.00	500.00	
Other Purchased Services (400-500 series)	6,350.00	10,000.00	16,350.00	13,012.43	3,337.57
Supplies & Materials	15,000.00	4,037.13	19,037.13	13,806.78	5,230.35
Other Objects	4,900.00		4,900.00	3,629.00	1,271.00
Total Undistributed Expenditures - Support Services - School Administration	640,231.00	64,037.13	704,268.13	677,247.33	27,020.80

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undist. Expend. - Central Services					
Salaries	261,216.00	0.24	261,216.24	261,216.24	-
Purchased Professional Services	13,000.00	5,000.00	18,000.00	17,629.84	370.16
Miscellaneous Purch. Services (400-500 Series)	3,500.00	63.23	3,563.23	3,563.23	-
Supplies & Materials	5,000.00	499.76	5,499.76	5,380.20	119.56
Interest on Lease Purchase Agreements	6,195.00		6,195.00	6,195.00	-
Other Objects	2,000.00	(563.23)	1,436.77	1,220.00	216.77
Total Undist. Expend. - Central Services	290,911.00	5,000.00	295,911.00	295,204.51	706.49
Undist. Expend. - Admin Info. Technology					
Salaries	42,720.00		42,720.00	42,720.00	-
Purchased Technical Services	5,000.00	(5,000.00)	-	-	-
Other Purchased Services (400-500 series)	10,000.00	35,050.00	45,050.00	40,820.40	4,229.60
Supplies & Materials	2,000.00		2,000.00	177.12	1,822.88
Total Undist. Expend. - Admin Info. Technology	59,720.00	30,050.00	89,770.00	83,717.52	6,052.48
Undist. Expend. - Required Maint. School Facilities					
Salaries	118,528.00		118,528.00	118,527.60	0.40
Cleaning, Repair and Maintenance Service	130,000.00	(18,551.07)	111,448.93	104,176.12	7,272.81
General Supplies	81,472.00	(36,325.00)	45,147.00	19,503.81	25,643.19
Total Undistributed Expenditures - Required Maintenance for School Facilities	330,000.00	(54,876.07)	275,123.93	242,207.53	32,916.40
Undist. Expend. - Custodial Services					
Salaries	515,206.00	(11,135.00)	504,071.00	488,567.03	15,503.97
Cleaning, Repair and Maintenance Service	40,000.00	5,406.74	45,406.74	32,460.68	12,946.06
Other Purchased Property Services	22,500.00		22,500.00	16,396.64	6,103.36
Insurance	80,000.00	(12,233.32)	67,766.68	67,656.72	109.96
Miscellaneous Purchased Services	6,000.00		6,000.00	4,075.66	1,924.34
General Supplies	63,500.00		63,500.00	45,473.76	18,026.24
Energy (Electricity)	210,000.00	(42,940.00)	167,060.00	156,665.59	10,394.41
Energy (Natural Gas)	70,000.00	12,233.32	82,233.32	77,744.49	4,488.83
Other Objects	1,000.00		1,000.00	650.00	350.00
Total Undistributed Expenditures - Custodial Services	1,008,206.00	(48,668.26)	959,537.74	889,690.57	69,847.17

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Undist. Expend. - Security					
Salaries	48,348.00	17,518.46	65,866.46	65,866.46	-
Purchased Professional and Technical Services	75,000.00	(11,750.00)	63,250.00	60,000.00	3,250.00
General Supplies	1,000.00	2,916.54	3,916.54	3,248.00	668.54
Total Undistributed Expenditures - Security	124,348.00	8,685.00	133,033.00	129,114.46	3,918.54
Total Undistributed Expenditures					
Operations and Maintenance of Plant	1,462,554.00	(94,859.33)	1,367,694.67	1,261,012.56	106,682.11
Undist. Expend. - Student Transportation Serv.					
Salaries (Other than Home & School)	12,000.00		12,000.00	8,300.00	3,700.00
Management Fee - ESC & CTSA Trans. Program	28,000.00		28,000.00	24,762.30	3,237.70
Contracted Services - (Oth. Than Bet. Home & Sch)	82,000.00	30,000.00	112,000.00	102,605.96	9,394.04
Contr. Serv. - (Bet. Home & School) Joint Agrm.	68,000.00		68,000.00	49,519.33	18,480.67
Contr. Serv. - (Spc Ed. Students) - Joint Agrmt	375,000.00	(70,000.00)	305,000.00	281,384.33	23,615.67
Contr. Serv. - Aid in Lieu of Payments (Choice Sch)	35,000.00	(10,000.00)	25,000.00	18,263.97	6,736.03
Transportation Supplies	3,000.00		3,000.00	1,502.87	1,497.13
Miscellaneous Expenditures	1,000.00		1,000.00	200.00	800.00
Total Undistributed Expenditures - Student Transportation Services	604,000.00	(50,000.00)	554,000.00	486,538.76	67,461.24
Unallocated Benefits - Employee Benefits					
Social Security Contribution	200,000.00	(5,909.23)	194,090.77	185,482.93	8,607.84
Other Retirement Contributions - PERS	243,000.00	5,909.23	248,909.23	248,909.23	-
Other Retirement Contributions - DCRP	2,500.00		2,500.00	19.06	2,480.94
Workmen's Compensation	170,345.00	3,870.60	174,215.60	174,215.60	-
Unemployment Compensation	50,000.00	(25,000.00)	25,000.00	25,000.00	-
Health Benefits	2,688,000.00	189,982.00	2,877,982.00	2,716,600.82	161,381.18
Tuition Reimbursement	70,000.00		70,000.00	47,074.64	22,925.36
Other Employee Benefits	40,000.00	(8,870.60)	31,129.40	29,183.04	1,946.36
Unused Sick Payouts	36,000.00	(20,000.00)	16,000.00	2,012.50	13,987.50
Total Unallocated Benefits	3,499,845.00	139,982.00	3,639,827.00	3,428,497.82	211,329.18

CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
On-Behalf Contributions					
On-Behalf TPAF Contribution (non-bud)	-	-	-	1,225,443.00	(1,225,443.00)
Pension Contributions				791,487.00	(791,487.00)
Post Retirement Medical Contributions				1,603.00	(1,603.00)
Long-Term Disability Insurance				619,913.31	(619,913.31)
Reimbursed TPAF Social Security Cont.(non-bud)				2,638,446.31	(2,638,446.31)
Total On-Behalf Contributions					
Total Personal Services - Employee Benefits	3,499,845.00	139,982.00	3,639,827.00	6,066,944.13	(2,427,117.13)
TOTAL UNDISTRIBUTED EXPENDITURES	10,646,825.00	87,481.80	10,734,306.80	12,681,104.68	(1,946,797.88)
TOTAL GENERAL CURRENT EXPENSE	18,636,964.00	19,469.82	18,656,433.82	20,096,390.49	(1,439,956.67)
CAPITAL OUTLAY					
Equipment					
Admin Information Technology		2,620.06	2,620.06	2,620.06	-
Undistributed Expenditures:					
Support Services Related and Extra.	3,300.00	(2,620.06)	679.94		679.94
Total Equipment	3,300.00	-	3,300.00	2,620.06	679.94
Facilities Acquisition and Construction Services					
Assessment of Debt Service on SDA Funding	4,486.00		4,486.00	4,486.00	-
Lease Purchase Agreements - Principal	170,000.00		170,000.00	170,000.00	-
Construction Services	248,189.00		248,189.00	200,785.00	47,404.00
Capital Outlay - Transfer to Capital Projects					
Total Facilities Acquisition and Construction Services	422,675.00	-	422,675.00	375,271.00	47,404.00
TOTAL CAPITAL OUTLAY	425,975.00	-	425,975.00	377,891.06	48,083.94
TOTAL EXPENDITURES	19,062,939.00	19,469.82	19,082,408.82	20,474,281.55	(1,391,872.73)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,729,041.00)	(19,469.82)	(1,748,510.82)	(189,236.91)	1,559,273.91

**CITY OF WILDWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final Budget to Actual
Other Financing Sources:					
Operating Transfers Out:					
Transfer to Food Service Fund - Board Contribution	(5,000.00)		(5,000.00)		5,000.00
Total Other Financing Sources:	<u>(5,000.00)</u>	<u>-</u>	<u>(5,000.00)</u>	<u>-</u>	<u>5,000.00</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,734,041.00)	(19,469.82)	(1,753,510.82)	(189,236.91)	1,564,273.91
Fund Balance July 1	4,379,949.39		4,379,949.39	4,379,949.39	-
Fund Balance June 30	<u>\$ 2,645,908.39</u>	<u>(19,469.82)</u>	<u>2,626,438.57</u>	<u>4,190,712.48</u>	<u>1,564,273.91</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				933,097.51	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,113,140.75	
Committed Fund Balance:					
Capital Reserve				1,205,548.00	
Maintenance Reserve				501,250.00	
Emergency Reserve				60,311.00	
Assigned Fund Balance:					
Encumbrances				14,886.52	
Unassigned Fund Balance				362,478.70	
General Fund				<u>4,190,712.48</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP Basis				386,289.22	
				<u>\$ 3,804,423.26</u>	

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		209,441.36	209,441.36	4,800.00	(204,641.36)
State Sources	444,125.00	368,124.29	812,249.29	741,690.77	(70,558.52)
Federal Sources	797,011.00	936,716.63	1,733,727.63	1,606,772.07	(126,955.56)
Total Revenues	1,241,136.00	1,514,282.28	2,755,418.28	2,353,262.84	(402,155.44)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	696,591.00	440,706.32	1,137,297.32	1,127,749.80	9,547.52
Other Salaries for Instruction	67,029.00	41,866.00	108,895.00	100,543.86	8,351.14
Purchased Professional and Technical Services		36,803.00	36,803.00	27,686.70	9,116.30
Other Purchased Services (400-500 series)	205,192.00	47,764.00	252,956.00	251,556.00	1,400.00
General Supplies	10,000.00	287,741.74	297,741.74	100,166.68	197,575.06
Other Objects		21,941.92	21,941.92	12,324.74	9,617.18
Total Instruction	978,812.00	876,822.98	1,855,634.98	1,620,027.78	235,607.20
Support Services:					
Salaries of Other Professional Staff	38,100.00	200,877.21	238,977.21	41,561.85	197,415.36
Other Salaries	73,106.00	(20,578.25)	52,527.75	52,527.75	-
Personal Services - Employee Benefits	20,554.00	254,817.08	275,371.08	269,627.51	5,743.57
Purchased Professional - Technical Services		23,675.00	23,675.00	4,675.00	19,000.00
Purchased Professional - Educational Services		49,782.62	49,782.62	23,660.56	26,122.06
Other Purchased Services (400-500 series)		5,400.10	5,400.10	5,400.10	-
Rentals	130,564.00		130,564.00	130,563.17	0.83
Contracted Services		67,799.75	67,799.75	58,185.86	9,613.89
Travel		11,578.60	11,578.60	9,391.34	2,187.26
Supplies & Materials		10,107.19	10,107.19	7,416.77	2,690.42
Total Support Services	262,324.00	603,459.30	865,783.30	733,235.06	132,548.24

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES(cont'd):					
Facilities Acquisitions and Construction Services:					
Instructional Equipment	-	34,000.00	34,000.00	-	34,000.00
Total Facilities Acquisitions and Const. Services:	-	34,000.00	34,000.00	-	34,000.00
Total Outflows	1,241,136.00	1,514,282.28	2,755,418.28	2,353,262.84	402,155.44
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WILDWOOD SCHOOL DISTRICT
Required Supplementary Information
Budget - to - GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2018

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 22,286,522.64	[C-2] \$ 2,353,262.84
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		
Current Year	-	(858.94)
Prior Year	-	3,703.84
Unexpended Preschool Education Aid		70,558.52
Prior year final State Aid payment was delayed until July 2017 and is recorded as revenue in current year under GAAP	434,941.00	41,990.00
Final State Aid payment was delayed until July 2018 and is recorded as budgetary revenue but is not recognized under GAAP	(386,289.22)	(84,605.78)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2] <u>\$ 22,335,174.42</u>	[B-2] <u>\$ 2,384,050.48</u>
Uses / outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 22,475,759.55	[C-2] \$ 2,353,262.84
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year	-	(858.94)
Prior Year	-	3,703.84
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2] <u>\$ 22,475,759.55</u>	[B-2] <u>\$ 2,356,107.74</u>

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REQUIRED SUPPLEMENTARY INFORMATION – PART III

CITY OF WILDWOOD SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employee Retirement System
Last Four Fiscal Years

	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.0263643990%	0.0251589960%	0.0240771598%	0.0254269368%	0.0242302520%
District's proportionate of the net pension liability (asset)	\$ 6,137,211	\$ 7,448,975	\$ 5,404,840	\$ 4,760,618	\$ 4,630,883
District's covered payroll	\$ 1,813,036	\$ 1,732,136	\$ 1,735,489	\$ 1,640,811	\$ 1,707,350
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	338.50%	430.05%	311.43%	290.14%	271.23%
Plan fiduciary net position as a percentage of the total pension liability	40.14%	40.14%	47.93%	52.08%	48.72%

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

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

CITY OF WILDWOOD SCHOOL DISTRICT
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>	<u>2013</u>
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 62,716,328.00</u>	<u>\$ 52,102,816.00</u>	<u>\$ 42,510,749.00</u>	<u>\$ 43,994,590.00</u>	<u>\$ 40,938,768.00</u>
Total	<u><u>\$ 62,716,328.00</u></u>	<u><u>\$ 52,102,816.00</u></u>	<u><u>\$ 42,510,749.00</u></u>	<u><u>\$ 43,994,590.00</u></u>	<u><u>\$ 40,938,768.00</u></u>
District's covered payroll	\$ 8,401,815.00	\$ 8,224,043.00	\$ 8,117,379.00	\$ 7,934,822.00	\$ 8,071,551.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	22.33%	22.33%	28.71%	33.64%	33.76%

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

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

CITY OF WILDWOOD SCHOOL DISTRICT
Schedule of District Contributions
Public Employee Retirement System
Last Four Fiscal Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 248,909.00	\$ 223,437.00	\$ 206,999.00	\$ 209,616.00	\$ 182,570.00
Contributions in relation to the contractually required contribution	<u>\$ 248,909.00</u>	<u>\$ 223,437.00</u>	<u>\$ 206,999.00</u>	<u>\$ 209,616.00</u>	<u>\$ 182,570.00</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,813,036.00	\$ 1,732,136.00	\$ 1,735,489.00	\$ 1,640,811.00	\$ 1,707,350.00
Contributions as a percentage of covered-employee payroll	13.73%	12.90%	11.93%	12.78%	10.69%

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

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

CITY OF WILDWOOD SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net OPEB Liability
Public Employee Retirement System and Teachers' Pension and Annuity Fund
Last Two Fiscal Years

	<u>2017</u>	<u>2016</u>
District's proportion of the net OPEB liability (asset)	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	-
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 48,614,809.00</u>	<u>52,659,650.00</u>
Total	<u>\$ 48,614,809.00</u>	<u>52,659,650.00</u>
District's covered payroll	10,214,851.00	9,956,179.00
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%

Source: GASB 75 report on State of New Jersey State Health Benefits Program; District records

Note: This schedule is required by GASB 75 to be show information for a 10 year period.
However, information is only currently available for two years.
Additional years will be presented as they become available.

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2018

	Total Brought Forward (Ex. E-1a)	Title IA	Title IA Carryover	Title III	Title IIA	Title IIA C/O	Title III C/O	Totals 2018
REVENUES:								
State Sources	\$ 741,690.77	-	-	-	-	-	-	741,690.77
Federal Sources	877,952.88	608,492.07	1,936.52	40,668.37	50,036.00	23,451.85	4,234.38	1,606,772.07
Local Sources	4,800.00	-	-	-	-	-	-	4,800.00
Total Revenues	1,624,443.65	608,492.07	1,936.52	40,668.37	50,036.00	23,451.85	4,234.38	2,353,262.84
EXPENDITURES:								
Instruction:								
Salaries of Teachers	676,610.50	449,713.51	1,425.79	-	-	-	-	1,127,749.80
Other Salaries for Instruction	100,543.86	-	-	-	-	-	-	100,543.86
Purchased Professional Technical Services	27,686.70	-	-	-	-	-	-	27,686.70
Other Purchased Services (400-500 series)	251,556.00	-	-	-	-	-	-	251,556.00
General Supplies	81,290.55	11,379.73	289.66	2,972.36	-	-	4,234.38	100,166.68
Textbooks	-	-	-	-	-	-	-	-
Other Objects	12,324.74	-	-	-	-	-	-	12,324.74
Total Instruction	1,150,012.35	461,093.24	1,715.45	2,972.36	-	-	4,234.38	1,620,027.78
Support Services:								
Salaries of Supervisors of Instruction	130,225.15	-	-	-	-	-	-	130,225.15
Salaries of Other Professional Staff	-	12,881.04	67.81	28,613.00	37,944.00	8,195.00	-	41,561.85
Other Salaries	6,388.75	-	-	-	-	-	-	6,388.75
Personal Services - Employee Benefits	117,248.93	130,719.21	153.26	8,455.01	11,038.84	2,012.26	-	269,627.51
Purchased Professional Technical Services	1,000.00	-	-	-	-	-	-	1,000.00
Purchased Professional - Educational Services	23,660.56	-	-	-	-	-	-	23,660.56
Other Purchased Services (400-500 series)	5,400.10	-	-	-	-	-	-	5,400.10
Rentals	130,563.17	-	-	-	-	-	-	130,563.17
Contr. Trans Serv (Bet. Home & School)	58,185.86	-	-	-	-	-	-	58,185.86
Contr. Trans Serv (Field Trips)	-	-	-	-	-	-	-	-
Travel	555.74	-	-	628.00	994.33	7,213.27	-	9,391.34
Supplies & Materials	1,203.04	3,798.58	-	-	58.83	2,356.32	-	7,416.77
Other Objects	-	-	-	-	-	-	-	-
Total Support Services	474,431.30	147,398.83	221.07	37,696.01	50,036.00	23,451.85	-	733,235.06
Facilities Acquisitions and Construction Services:								
Instructional Equipment	-	-	-	-	-	-	-	-
Total Facilities Acquisitions and Const. Services:	-	-	-	-	-	-	-	-
Total Outflows	1,624,443.65	608,492.07	1,936.52	40,668.37	50,036.00	23,451.85	4,234.38	2,353,262.84
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	-	-	-	-	-	-	-

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2018

	Total Brought Forward (Ex. E-1b)	Title I/Arts Integration	Preschool Education	IDEA Part B	IDEA Preschool	Total Carried Forward
REVENUES:						
State Sources	-		741,690.77			741,690.77
Federal Sources	585,177.94	41,218.94		246,665.00	4,891.00	877,952.88
Local Sources	4,800.00					4,800.00
Total Revenues	589,977.94	41,218.94	741,690.77	246,665.00	4,891.00	1,624,443.65
EXPENDITURES:						
Instruction:						
Salaries of Teachers	297,291.08	25,152.02	354,167.40			676,610.50
Other Salaries for Instruction	12,369.00		88,174.86			100,543.86
Purchased Professional Technical Services	20,083.70	7,603.00				27,686.70
Other Purchased Services (400-500 series)	-			246,665.00	4,891.00	251,556.00
General Supplies	32,244.26	1,234.96	47,811.33			81,290.55
Textbooks	-					-
Other Objects	11,351.74	973.00				12,324.74
Total Instruction	373,339.78	34,962.98	490,153.59	246,665.00	4,891.00	1,150,012.35
Support Services:						
Salaries of Supervisors of Instruction	127,557.95	2,667.20				130,225.15
Salaries of Other Professional Staff	-					-
Other Salaries	6,388.75					6,388.75
Personal Services - Employee Benefits	55,551.88	2,127.76	59,569.29			117,248.93
Purchased Professional Technical Services	1,000.00					1,000.00
Purchased Professional - Educational Services	8,353.62		15,306.94			23,660.56
Other Purchased Services (400-500 series)	3,939.10	1,461.00				5,400.10
Rentals	-		130,563.17			130,563.17
Contr. Trans Serv (Bet. Home & School)	12,561.86		45,624.00			58,185.86
Contr. Trans Serv (Field Trips)	-					-
Travel	81.96		473.78			555.74
Supplies & Materials	1,203.04					1,203.04
Other Objects	-					-
Total Support Services	216,638.16	6,255.96	251,537.18	-	-	474,431.30
Facilities Acquisitions and Construction Services:						
Instructional Equipment	-					-
Total Facilities Acquisitions and Const. Services:	-	-	-	-	-	-
Total Outflows	589,977.94	41,218.94	741,690.77	246,665.00	4,891.00	1,624,443.65
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	\$ -

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2018

	CC&R 2018	21st Century Grant Year 4	21st Century Grant Year 5	Impact Aid	Local Grants	Total Carried Forward
REVENUES:						
State Sources						
Federal Sources	67,558.79	378,959.00	60,160.15	78,500.00	-	585,177.94
Local Sources					4,800.00	4,800.00
Total Revenues	67,558.79	378,959.00	60,160.15	78,500.00	4,800.00	589,977.94
EXPENDITURES:						
Instruction:						
Salaries of Teachers	38,739.30	171,399.08	36,701.10	48,330.00	2,121.60	297,291.08
Other Salaries for Instruction				12,369.00		12,369.00
Purchased Professional Technical Services	1,400.00	18,683.70				20,083.70
Other Purchased Services (400-500 series)	3,283.72	18,677.47	6,973.67	1,631.00	1,678.40	32,244.26
General Supplies						
Textbooks						
Other Objects	1,650.00	8,242.82	1,458.92			11,351.74
Total Instruction	45,073.02	217,003.07	45,133.69	62,330.00	3,800.00	373,339.78
Support Services:						
Salaries of Supervisors of Instruction		116,737.95	10,820.00			127,557.95
Salaries of Other Professional Staff						
Other Salaries	6,388.75					6,388.75
Personal Services - Employee Benefits	3,452.30	32,294.16	3,635.42	16,170.00		55,551.88
Purchased Professional Technical Services					1,000.00	1,000.00
Purchased Professional - Educational Services	8,353.62					8,353.62
Other Purchased Services (400-500 series)	3,939.10					3,939.10
Rentals						
Contr. Trans Serv (Bet. Home & School)		12,163.86	398.00			12,561.86
Contr. Trans Serv (Field Trips)						
Travel		81.96				81.96
Supplies & Materials	352.00	678.00	173.04			1,203.04
Other Objects						
Total Support Services	22,485.77	161,955.93	15,026.46	16,170.00	1,000.00	216,638.16
Facilities Acquisitions and Construction Services:						
Instructional Equipment						
Total Facilities Acquisitions and Const. Services:	-	-	-	-	-	-
Total Outflows	67,558.79	378,959.00	60,160.15	78,500.00	4,800.00	589,977.94
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-

CITY OF WILDWOOD SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2018

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 354,168.00	354,167.40	0.60
Other Salaries for Instruction	108,895.00	88,174.86	20,720.14
Purchased Educational Services	10,000.00		10,000.00
General Supplies	55,000.00	47,811.33	7,188.67
Miscellaneous	2,000.00		2,000.00
Total Instruction	530,063.00	490,153.59	39,909.41
Support Services:			
Personal Services - Employee Benefits	59,569.29	59,569.29	-
Other Purchased Educational Services	10,000.00	9,200.00	800.00
Other Purchased Professional Services	31,429.00	6,106.94	25,322.06
Rental	130,564.00	130,563.17	0.83
Contr. Trans Serv (Bet. Home & School)	45,624.00	45,624.00	-
Contr. Services. Preschool	3,000.00		3,000.00
Travel	2,000.00	473.78	1,526.22
Total Support Services	282,186.29	251,537.18	30,649.11
Total Expenditures	\$ 812,249.29	\$ 741,690.77	70,558.52

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2017-18 Preschool Education Aid	\$ 805,865.00
Add: Actual ECPA Carryover (June 30, 2017)	6,384.29
Add: Budgeted Transfer from the General Fund 2017-18	-
Total Preschool Education Aid Funds Available for 2017-18 Budget	812,249.29
Less: 2017-2018 Budgeted Preschool Education Aid (Prior year budget carryover)	(812,249.29)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2018	-
Add: June 30, 2018 Unexpended Preschool Education Aid	70,558.52
2017-18 Carryover-Preschool Education Aid Program	70,558.52
2017-18 Preschool Education Aid Carryover Budgeted	70,558.52
Budgeted for Preschool Programs - 2018-19	-

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

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

CITY OF WILDWOOD SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Basis
For the Fiscal Year Ended June 30, 2018

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

CITY OF WILDWOOD SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Basis
ROD Roof Replacement
For the Fiscal Year Ended June 30, 2018

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources- ROD Grant	\$ 508,000.00	-	508,000.00	508,000.00
Lease proceeds and transfers	825,000.00	-	825,000.00	825,000.00
Transfer from capital outlay	-	-	-	-
Total revenues	1,333,000.00	-	1,333,000.00	1,333,000.00
Expenditures and Other Financing Uses:				
Purchased professional & technical services	121,090.56	-	121,090.56	208,407.00
Construction services	1,062,288.73	-	1,062,288.73	1,124,593.00
Total expenditures	1,183,379.29	-	1,183,379.29	1,333,000.00
Excess of revenues over expenditures	\$ 149,620.71	-	149,620.71	-
 Additional project information:				
Project numbers	5790-050-14-1001G4			
Grant Date	3/5/2014			
Lease Authorization Date	3/26/2014			
Lease Proceeds	825,000.00			
Original Authorized Cost	1,333,000.00			
Additional Authorized Cost	-			
Revised Authorized Cost	1,333,000.00			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	89%			
Adjusted Target completion date	2016			

FIDUCIARY FUNDS DETAIL STATEMENTS

Trust funds are used to account for gifts and bequests to the school district for a specific purpose.

Unemployment Fund - This trust fund is an expendable trust fund and limits expenses set aside for this purpose in current and prior budgets and contributions from employee withholding in prior years.

Agency funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund - This agency fund is used to account for student funds held at the schools.

Payroll Fund - This agency fund is used to account for the payroll transactions of the school district.

**CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Position
As of June 30, 2018**

	Unemployment Compensation Trust	Private Purpose Trust	Trust & Agency Funds	Totals
ASSETS				
Cash and Cash Equivalents	\$ 107,386.57	339,982.51	90,296.99	537,666.07
Accounts Receivable	1,641.25			1,641.25
Total Assets	109,027.82	339,982.51	90,296.99	539,307.32
LIABILITIES				
Accounts Payable	3,661.68		-	3,661.68
Payroll Deductions & Withholding			10,446.72	10,446.72
Interfunds Payable			1,696.60	1,696.60
Due to Student Groups			78,153.67	78,153.67
Total Liabilities	3,661.68	-	90,296.99	93,958.67
NET POSITION				
Trust for Unemployment Claims and Other Purposes	\$ 105,366.14			105,366.14
Reserve for Scholarships		339,982.51		339,982.51
Total Net Position				445,348.65
Total Liabilities and Net Position				539,307.32

CITY OF WILDWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2018

	Unemployment Compensation Trust	Private Purpose Trust	Totals
ADDITIONS			
Contributions:			
Plan Member	\$ 30,723.24		30,723.24
Board Contribution	25,000.00		25,000.00
Other		101,168.82	101,168.82
Total Contributions	<u>55,723.24</u>	<u>101,168.82</u>	<u>156,892.06</u>
Investments Earnings:			
Interest	723.54		723.54
Net Investment Earnings	<u>723.54</u>	<u>-</u>	<u>723.54</u>
Total Additions	<u>56,446.78</u>	<u>101,168.82</u>	<u>157,615.60</u>
Deductions			
Unemployment Claims	18,341.67		18,341.67
Scholarships Awarded to Students		53,375.00	53,375.00
Other	11,439.69		11,439.69
Total Deductions	<u>29,781.36</u>	<u>53,375.00</u>	<u>83,156.36</u>
Change in Net Position	26,665.42	47,793.82	74,459.24
Net Position - Beginning of the Year	<u>78,700.72</u>	<u>292,188.69</u>	<u>370,889.41</u>
Net Position - End of the Year	<u>\$ 105,366.14</u>	<u>339,982.51</u>	<u>445,348.65</u>

**CITY OF WILDWOOD SCHOOL DISTRICT
 Student Activity Agency Fund
 Schedule of Receipts and Disbursements
 As of June 30, 2018**

	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>
Student Activity Account	\$ 66,081.96	82,198.66	70,126.95	78,153.67
Total Assets	\$ <u>66,081.96</u>	<u>82,198.66</u>	<u>70,126.95</u>	<u>78,153.67</u>

CITY OF WILDWOOD SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the year ended June 30, 2018

	<u>Balance</u> <u>June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
ASSETS:				
Cash and Cash Equivalents	\$ 14,515.31	\$ 12,843,484.34	\$ 12,845,856.33	\$ 12,143.32
Interfunds Receivable	-			-
Total Assets	\$ <u>14,515.31</u>	\$ <u>12,843,484.34</u>	\$ <u>12,845,856.33</u>	\$ <u>12,143.32</u>
LIABILITIES:				
Payroll Deductions & Withholding	\$ 13,714.03	\$ 12,842,589.02	12,845,856.33	\$ 10,446.72
Net Payroll Payable	-			-
Interfunds Payable	801.28	895.32		1,696.60
Accounts Payable	-			-
Total Liabilities	\$ <u>14,515.31</u>	\$ <u>12,843,484.34</u>	\$ <u>12,845,856.33</u>	\$ <u>12,143.32</u>

LONG-TERM DEBT SCHEDULES

CITY OF WILDWOOD SCHOOL DISTRICT
Schedule of Obligations Under Capital Lease
As of June 30, 2018

Description	Date of Lease	Term of Lease	Amount of Original Lease Principal	Interest	Interest Rate	Balance July 1, 2017	Issued Current Year	Retired Current Year	Balance June 30, 2018
Roof Replacement	3/26/2014	5 Years	\$ 825,000.00	47,471.52	1.77%	\$ 350,000.00		170,000.00	180,000.00
Technology Lease	8/5/2013	5 Years	117,458.70	10,781.10	3.50%	24,900.77		24,175.36	725.41
						<u>\$ 374,900.77</u>	<u>-</u>	<u>194,175.36</u>	<u>180,725.41</u>

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Statistical Section

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

Exhibit J-1

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	5,253,903.08	5,096,579.43	4,928,543.38	4,752,009.07	4,523,756.01	3,550,403.99	4,645,076.06	4,821,526.56	4,637,550.56	4,690,415.92
Restricted	1,813,972.98	2,185,902.30	1,579,782.56	573,251.81	852,760.28	1,687,622.44	3,083,483.39	3,589,949.23	3,964,595.38	3,962,967.97
Unrestricted	(109,553.37)	96,566.68	174,105.46	332,467.21	(211,855.07)	(3,348,352.59)	(4,501,928.95)	(4,816,386.42)	(5,267,165.28)	(5,653,268.26)
Total governmental activities net position	6,958,322.69	7,379,048.41	6,682,431.40	5,657,728.09	5,164,661.22	1,889,693.85	3,226,630.50	3,595,089.37	3,334,980.66	3,000,115.63
Business-type activities										
Invested in capital assets, net of related debt	25,682.56	22,136.51	18,674.95	14,013.41	11,443.00	9,796.68	8,343.35	25,082.17	22,989.04	20,895.91
Restricted	101,288.33	107,973.30	69,419.29	28,563.87	2,759.14	(1,279.51)	82,182.53	64,617.48	155,779.77	247,736.57
Unrestricted	(76,605.67)	(80,836.79)	(41,744.34)	(14,050.46)	(14,202.14)	8,517.17	(71,839.18)	(23,972.83)	(82,767.81)	(176,944.13)
Total business-type activities net position	24,682.76	27,136.51	27,674.95	14,526.82	19,999.80	8,014.24	10,686.70	65,726.83	73,001.96	70,887.35
District-Wide										
Net investment in capital assets	5,118,715.94	4,947,218.33	4,766,022.48	4,535,199.01	3,560,200.67	4,653,419.41	4,846,606.73	4,846,608.73	4,660,539.60	4,711,311.83
Restricted	2,185,902.30	1,579,782.56	573,251.81	852,760.28	1,687,622.44	3,083,483.39	3,589,949.23	3,589,949.23	3,964,595.38	3,962,967.97
Unrestricted	(204,539.98)	243,524.75	361,031.08	(209,095.93)	(3,348,612.09)	(4,419,746.42)	(4,751,768.94)	(4,751,768.94)	(5,111,386.51)	(5,405,531.69)
Total district net position	7,509,188.22	6,770,525.64	5,700,305.37	5,178,868.36	1,898,211.02	3,317,156.38	3,684,789.02	3,684,789.02	3,513,748.47	3,288,748.11

Source: CAFR Schedule A-1

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

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

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

Exhibit J-2

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
Instruction:										
Regular	8,797,550.80	8,779,754.28	7,184,680.12	8,173,913.01	6,754,301.81	6,019,322.47	6,866,507.05	7,844,877.29	8,004,112.18	8,740,631.37
Special education	2,150,394.63	2,037,037.43	3,754,288.59	3,273,082.92	3,719,394.45	4,032,949.21	4,681,121.30	4,423,926.37	5,358,161.24	5,808,622.88
Other instruction	1,060,213.77	1,011,373.14	1,029,464.98	1,064,976.27	1,527,758.07	1,301,738.87	1,709,028.31	1,795,034.44	2,242,141.80	1,912,777.30
Support Services:										
Tuition	1,306,645.39	1,345,013.34	1,349,058.88	1,592,590.07	1,725,040.09	1,506,842.62	1,108,107.05	1,196,334.39	1,305,190.90	1,636,727.32
Student & instruction related services	2,453,771.10	2,872,868.30	2,560,706.74	2,611,458.62	3,064,786.63	3,156,520.31	3,736,389.17	4,099,711.20	4,389,494.93	4,518,052.42
School administrative services	748,529.87	846,825.85	816,879.24	748,145.19	966,272.47	880,874.80	890,592.88	1,027,728.90	1,082,942.97	1,123,194.05
Other administrative services	670,274.73	632,298.82	893,697.34	1,028,449.35	854,104.13	891,032.29	1,004,514.00	1,209,112.43	1,260,495.17	1,334,075.31
Plant operations and maintenance	1,807,331.00	2,088,263.25	2,381,713.96	2,219,737.76	1,764,204.07	1,669,561.72	1,686,678.53	1,799,227.43	1,889,013.34	2,043,491.54
Pupil transportation	588,111.25	529,180.46	470,024.86	491,471.30	382,967.77	442,934.37	515,623.77	718,831.34	735,357.86	794,137.74
Capital Outlay						47,345.26				
Charter Schools										
Interest on long-term debt	4,111.77	99.18	1,600.00							
Unallocated depreciation	243,259.96	1,600.00								
Total governmental activities expenses	19,890,194.27	20,144,314.05	20,442,114.81	21,203,823.99	20,758,829.49	20,038,521.92	22,198,562.06	24,054,583.79	26,266,910.39	27,911,649.33
Business-type activities:										
Food service	934,952.28	896,120.88	915,972.62	915,551.97	905,973.34	900,138.33	917,521.09	976,249.22	972,417.25	1,031,983.56
Child care										
Other	934,952.28	896,120.88	915,972.62	915,551.97	905,973.34	900,138.33	917,521.09	976,249.22	972,417.25	1,031,983.56
Total business-type activities expenses	1,869,904.56	1,792,241.76	1,831,945.24	1,831,103.94	1,811,946.68	1,800,276.66	1,835,042.18	1,952,493.51	1,944,834.50	2,063,967.12
Total district expenses	20,820,146.55	21,040,434.83	21,358,087.43	22,119,375.96	21,664,802.83	20,938,660.25	23,116,083.15	25,030,833.01	27,239,327.64	28,943,633.49
Program Revenues										
Governmental activities:										
Charges for services										
Operating grants and contributions	1,926,207.35	2,665,342.00	2,237,993.00	2,197,835.00	1,807,728.53	1,576,671.31	1,900,190.75	1,507,076.23	1,166,433.56	1,182,041.12
Capital grants and contributions	4,099,038.21	3,629,606.15	3,661,528.38	3,615,490.40	4,221,354.94	1,999,827.11	5,787,506.32	6,699,074.41	8,531,438.25	9,881,534.79
Total governmental activities program revenues	6,025,245.56	6,198,948.15	5,899,521.38	5,813,325.40	6,029,083.47	3,566,498.42	7,687,697.07	8,206,150.64	9,697,871.81	11,063,575.91
Business-type activities:										
Charges for services:										
Food service	292,331.77	244,031.59	206,981.09	204,699.09	195,639.62	201,681.73	203,305.37	214,301.71	196,864.88	169,548.59
Other	595,139.99	635,113.05	650,903.19	665,967.53	666,738.56	692,603.65	795,981.61	758,140.71	864,186.64	951,108.89
Operating grants and contributions	887,471.76	879,144.64	857,884.28	870,666.62	862,278.18	894,285.38	999,296.98	972,442.42	1,051,051.52	1,120,657.48
Capital grants and contributions	6,912,717.32	7,078,092.79	6,757,405.66	6,683,992.02	6,891,361.65	4,460,783.80	8,686,984.05	9,178,593.06	10,758,923.33	12,184,233.39
Total business-type activities program revenue	13,864,948.71	13,945,365.90	14,542,593.43	15,390,498.59	14,729,746.02	16,472,023.50	18,580,168.03	19,123,333.90	21,352,626.22	23,399,574.25
Net (Expense)/Revenue	(13,864,948.71)	(13,945,365.90)	(14,542,593.43)	(15,390,498.59)	(14,729,746.02)	(16,472,023.50)	(18,580,168.03)	(19,123,333.90)	(21,352,626.22)	(23,399,574.25)
Governmental activities	(47,480.52)	(16,976.24)	(16,668,088.34)	(44,885.35)	(43,695.16)	(5,862,965)	(81,765.89)	(3,906.80)	88,634.27	88,673.92
Business-type activities	(13,817,468.19)	(13,928,389.66)	(14,525,925.09)	(15,435,383.94)	(14,773,441.18)	(16,477,876.45)	(18,598,902.92)	(19,127,240.70)	(21,464,991.95)	(23,310,900.33)
Total district-wide net expense	(13,912,429.23)	(13,965,342.14)	(14,600,681.77)	(15,480,889.53)	(14,817,436.34)	(16,534,891.95)	(19,679,074.01)	(20,130,674.60)	(22,264,057.68)	(23,308,896.33)

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

Exhibit J-2

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	9,339,262.00	9,339,262.00	9,339,262.00	9,339,262.00	9,584,779.00	10,154,322.00	10,550,093.00	10,761,094.00	10,866,706.00	11,086,080.00
Taxes levied for debt service	63,980.00	31,140.00								
Unrestricted grants and contributions	5,006,246.45	4,638,351.65	4,476,550.69	4,765,149.65	4,600,235.04	7,132,742.17	5,138,646.95	5,257,999.08	5,308,984.47	5,339,791.57
Investment earnings	22,794.06	14,139.37	16,686.92	7,505.69	5,325.35	5,490.13				
Miscellaneous income	140,796.57	365,456.95	83,582.74	256,327.74	72,221.18	360,840.95		200,546.62	131,239.40	87,337.42
Lease proceeds										
Transfers	(41,880.68)	(20,000.00)	(15,716.89)	(2,450.00)	(15,000.00)	(10,881.42)				
Loss on Disposal of Fixed Assets	(748.50)	(2,258.35)	(64,359.04)		(10,881.42)					
Total governmental activities	14,532,449.90	14,366,091.62	13,845,976.42	14,365,795.28	14,236,679.15	17,653,395.25	15,847,801.64	16,219,641.70	16,308,929.87	16,513,208.99
Business-type activities:										
Investment earnings	236.24	135.16	355.88	568.39	320.02	167.98	242.82	230.89	433.89	1,190.75
Transfers	41,880.68	20,000.00	15,716.89		15,000.00					
Special Item-Loss on Disposal of Fixed Assets				(1,200.00)						
Total business-type activities	42,116.92	20,135.16	16,072.77	(631.61)	15,320.02	167.98	242.82	230.89	433.89	1,190.75
Total district-wide	14,574,566.82	14,386,226.78	13,862,049.19	14,365,163.67	14,251,999.17	17,653,563.23	15,848,044.46	16,219,872.59	16,309,363.76	16,514,399.74
Changes in Net Position	667,501.19	420,725.72	(696,617.01)	(1,024,703.31)	(493,066.87)	1,181,371.75	1,336,936.65	371,208.55	(260,108.71)	(334,865.03)
Governmental activities	(6,363.60)	3,158.92	(42,015.57)	(65,516.96)	(28,375.14)	(5,684.97)	82,008.71	(3,575.91)	89,068.16	89,864.67
Business-type activities	662,137.59	423,884.64	(738,632.59)	(1,070,220.27)	(521,442.01)	1,175,686.76	1,418,945.36	367,632.64	(171,040.55)	(245,000.36)

Source: CAFR Schedule A-2

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

Exhibit J-3

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Restricted			778,010.00		390,879.78	1,043,850.08	2,183,844.68	2,285,530.52	2,258,676.67	2,046,238.26
Committed			461,393.00	461,393.00	461,393.00	350,018.00	1,056,249.92	1,396,971.40	1,755,814.08	1,767,109.00
Assigned			646,494.64	644,452.92	487.50	-	-	-	-	14,886.52
Unassigned			(41,380.54)	(67,405.89)	(9,222.17)	0.00	(58,221.76)	86,584.04	(69,482.36)	(23,810.52)
Reserved	1,814,726.42	2,188,746.92	-	-	-	-	-	-	-	-
Unreserved	22,805.03	190,754.48	-	-	-	-	-	-	-	-
Total general fund	1,837,531.45	2,379,501.40	1,844,517.10	1,038,440.03	843,538.11	1,393,868.08	3,181,872.84	3,769,085.96	3,945,008.39	3,804,423.26
All Other Governmental Funds										
Restricted										
Reported in Debt Service Fund			(2,844.62)	-	-	-	-	-	-	-
Reported in Capital Projects Fund						1,226,229.44	149,620.71	149,620.71	149,620.71	149,620.71
Unassigned										
Reported in Special Revenue Fund			(38,610.00)	(40,154.40)	(41,700.40)	(43,605.00)	-	(41,182.50)	(41,990.00)	(14,047.26)
Reserved										
Unreserved, reported in:										
Special revenue fund	(36,610.90)	(37,837.80)	-	-	-	-	-	-	-	-
Capital projects fund										
Debt service fund	1.25	(2,844.62)								
Permanent fund										
Total all other governmental funds	(36,609.65)	(40,682.42)	(41,454.62)	(40,154.40)	(41,700.40)	1,182,624.44	149,620.71	108,438.21	107,630.71	135,573.45

Source: CAFR Schedule B-1

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

Exhibit J-4

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Tax/levy	9,403,242.00	9,370,402.00	9,339,262.00	9,339,262.00	9,584,779.00	10,154,322.00	10,550,093.00	10,761,094.00	10,868,706.00	11,086,080.00
Tuition charges	1,926,207.35	2,569,342.00	2,237,983.00	2,186,330.00	1,790,379.45	1,576,671.31	1,900,190.75	1,507,076.23	1,166,433.56	1,182,041.12
Miscellaneous	163,590.61	379,596.33	101,159.34	447,592.25	198,925.95	366,331.08	199,061.69	200,548.62	152,983.67	92,137.42
State sources	7,323,089.86	6,662,852.95	6,572,383.89	6,923,483.35	7,293,405.18	7,699,915.03	7,393,370.23	7,627,371.07	7,936,893.59	8,715,951.60
Federal sources	1,784,194.82	1,605,104.84	1,564,775.50	1,284,903.08	1,424,154.46	1,422,654.25	1,611,138.04	1,591,387.42	1,804,450.56	1,641,536.76
Total revenue	20,600,324.64	20,597,298.12	19,815,573.73	20,181,570.68	20,291,644.04	21,219,893.67	21,613,853.71	21,687,477.34	21,929,467.38	22,717,469.00
Expenditures										
Instruction										
Regular instruction	7,163,811.26	6,944,794.76	5,237,263.27	5,730,671.14	4,605,349.23	4,402,920.72	4,472,846.44	4,787,781.25	4,556,598.22	4,798,891.27
Special education instruction	1,574,137.34	1,504,938.93	3,123,765.77	2,575,116.20	2,919,042.57	2,949,520.30	3,049,284.96	2,700,020.79	3,050,306.24	3,189,123.13
Other instruction	818,667.31	772,587.21	759,317.43	766,291.70	1,051,645.94	952,175.77	1,113,261.96	1,095,549.49	1,276,411.59	1,050,144.09
Support services:										
Tuition	1,306,645.39	1,345,013.34	1,349,058.88	1,592,590.07	1,725,040.09	1,506,842.62	1,108,107.05	1,196,334.39	1,305,190.90	1,636,727.32
Student & instruction related services	1,930,452.60	2,257,226.48	1,965,555.96	1,971,211.58	2,304,253.95	2,327,643.12	2,433,885.94	2,465,525.70	2,498,861.67	2,480,557.92
General and Business admin. services	533,817.33	500,566.86	626,417.58	598,426.47	659,497.13	644,328.64	647,230.62	684,917.48	695,077.87	677,247.33
School Administrative services	557,133.51	628,244.51	636,440.30	678,973.61	656,269.84	717,590.29	731,133.86	807,472.46	809,972.73	805,311.72
Plant operations and maintenance	1,774,386.39	1,625,238.04	1,919,280.25	1,728,041.42	1,269,934.27	1,221,225.12	1,252,138.26	1,180,917.43	1,249,414.38	1,261,012.56
Pupil transportation	588,111.25	529,180.46	470,024.96	491,471.30	378,226.21	323,990.76	379,250.42	487,347.88	478,593.93	486,538.76
Unallocated employee benefits	3,688,228.10	3,842,592.66	4,146,942.88	4,768,375.60	4,954,895.26	4,541,233.18	4,859,141.77	5,188,089.08	5,507,948.59	6,066,944.13
Charter Schools	2,500.00	33,163.82	60,165.52	59,153.09	16,830.86	284,578.82	1,327,732.12	544,741.09	326,075.73	377,891.06
Capital outlay	80,000.00	45,000.00	-	-	-	-	-	-	-	-
Debt service:	6,037.50	853.87	-	-	-	-	-	-	-	-
Interest and other charges	20,023,927.98	20,029,400.94	20,294,232.80	20,960,322.18	20,540,985.35	19,872,049.34	21,374,013.40	21,138,697.04	21,754,352.85	22,830,389.29
Total expenditures	130,486.96	576,396.66	557,891.18	(478,659.07)	(778,751.50)	(249,341.31)	1,347,844.33	548,780.30	175,114.53	(112,642.39)
Excess (Deficiency) of revenues over (under) expenditures	(41,880.68)	(20,000.00)	(15,716.89)	2,844.62	(15,000.00)	942,458.70	-	-	-	-
Other Financing sources (uses)										
Capital leases (non-budgeted)	(41,880.68)	(20,000.00)	(15,716.89)	2,844.62	(15,000.00)	942,458.70	-	-	-	-
Transfers in	(41,880.68)	(20,000.00)	(15,716.89)	(2,844.62)	(15,000.00)	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	88,606.28	556,396.66	542,174.29	(478,659.07)	(793,751.50)	(249,341.31)	1,347,844.33	548,780.30	175,114.53	(112,642.39)
Net change in fund balances	0.43%	0.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Debt service as a percentage of noncapital expenditures										

Source: CAFR Schedule B-2

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

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Rentals</u>	<u>E-Rate</u>	<u>Miscellaneous</u>	<u>Totals</u>
2009	22,794.06	1,926,207.35	-		140,796.55	2,089,797.96
2010	14,139.37	2,569,342.00	-		365,456.95	2,948,938.32
2011	16,656.92	2,237,993.00	-		83,582.74	2,338,232.66
2012	7,505.89	2,186,330.00	2,633.00	208,473.69	194,412.05	2,599,354.63
2013	5,325.35	1,790,379.45	2,490.00	14,859.08	72,221.18	1,885,275.06
2014	5,490.13	1,576,671.31			205,818.88	1,787,980.32
2015	9,759.10	1,900,190.75		27,129.75	4,037.06	1,941,116.66
2016	15,626.14	1,507,076.23			136,023.61	1,658,725.98
2017	19,533.03	1,166,433.56			111,706.31	1,297,672.90
2018	750.00	1,182,041.12			86,587.42	1,269,378.54

Source: District Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Less Tax-exempt Property	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	Estimated County Equalized Value
2009	65,926,000	1,116,327,400			463,681,800	5,766,900	183,648,100	1,835,350,200		2,656,589	1,838,006,789	0.510	2,043,353,670
2010	62,130,800	1,086,185,600			445,245,400	5,766,900	176,605,800	1,775,934,500		2,897,752	1,778,832,252	0.526	1,828,197,227
2011	49,359,200	972,548,500			393,943,000	5,016,900	149,840,100	1,570,707,700		2,866,754	1,573,574,454	0.595	1,513,899,639
2012	49,671,900	976,924,300			389,696,900	5,016,900	147,052,800	1,568,362,800		2,828,363	1,571,191,163	0.611	1,605,273,880
2013	44,094,600	970,622,800			454,416,000	4,349,700	65,804,200	1,539,287,300		2,264,166	1,541,151,466	0.633	1,691,452,222
2014	31,833,600	898,052,600			427,936,900	3,671,900	55,627,100	1,417,122,100		1,987,158	1,419,109,258	0.730	1,462,151,253
2015	33,666,700	896,282,300			426,247,300	3,671,900	54,609,700	1,414,477,900		2,014,388	1,416,492,288	0.753	1,451,999,143
2016	31,899,100	899,171,800			424,153,300	3,671,900	53,322,500	1,412,218,600		2,033,669	1,414,252,269	0.765	1,428,245,563
2017	31,548,500	900,545,000			420,117,200	3,671,900	52,465,900	1,408,348,500		2,028,904	1,410,377,404	0.779	1,429,818,180
2018								-			-	0.797	

Source: County Abstract of Rates & Municipal Tax Assessor

CITY OF WILDWOOD SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Exhibit J-7

Fiscal Year Ended June 30,	CITY OF WILDWOOD SCHOOL DISTRICT				Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	County General	County Open Space	County Other	Other	Municipal Local Purpose	
2009	0.510		0.510	0.168	0.011	0.031		1.111	1.831
2010	0.526		0.526	0.176	0.011	0.030		1.089	1.832
2011	0.595		0.595	0.174	0.010	0.028		1.088	1.895
2013	0.611		0.611	0.196	0.011	0.030		1.088	1.936
2013	0.633		0.633	0.197	0.010	0.028		1.103	1.971
2014	0.730		0.730	0.216	0.011	0.030		1.273	2.260
2015	0.753		0.753	0.219	0.011	0.030		1.274	2.287
2016	0.765		0.765	0.219	0.011	0.030		1.299	2.324
2017	0.779		0.779	0.222	0.011	0.034		1.348	2.394
2018	0.797		0.797	0.217	0.010	0.032		1.443	2.499

Source: District Records and Municipal Tax Collector

CITY OF WILDWOOD SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago

Exhibit J-8

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Bolero Corporation	\$ 8,334,600.00	1	#DIV/0!	11,255,600.00	1	0.61%
The Morey Organization	7,749,400.00	2	#DIV/0!	8,955,000.00	2	0.49%
Midtown Properties, Inc.	4,166,200.00	10	#DIV/0!	8,947,400.00	3	0.49%
AMGC Corp.	5,250,000.00	5	#DIV/0!	6,444,700.00	7	0.35%
BMF Investments, LLC			#DIV/0!	7,189,500.00	4	0.39%
Calimsea Properties, LLC	5,420,000.00	4	#DIV/0!	6,452,400.00	6	0.35%
2701 Associates, LLC	4,434,100.00	7	#DIV/0!			0.00%
Marina Bay At Rio Grande, LLC			#DIV/0!	6,930,000.00	5	0.38%
Samax, Inc.	5,699,000.00	3	#DIV/0!	5,734,200.00	10	0.31%
Wild Waves, LLC	4,963,800.00	6	#DIV/0!			0.00%
Boardwalk Arcade	4,350,000.00	8	#DIV/0!			0.00%
Schwartz, Martin L. & Phyllis J.	4,300,300.00	9	#DIV/0!			0.00%
Waltrust Properties, Inc.			#DIV/0!			
Nickels Midway Pier, LLC			#DIV/0!	6,418,500.00	8	0.35%
PPI Rio Assoc., LLC			#DIV/0!	5,800,000.00	9	0.32%
Totals	\$ 54,667,400.00		#DIV/0!	74,127,300.00		4.03%
	District Assessed Value		\$ -			\$ 1,838,006,789

Source: District CAFR & Municipal Tax Assessor

**CITY OF WILDWOOD SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Years
		Amount	Percentage of Levy	
2009	9,403,242.00	9,403,242.00	100%	-
2010	9,370,402.00	9,370,402.00	100%	-
2011	9,339,262.00	9,339,262.00	100%	-
2012	9,339,262.00	9,339,262.00	100%	-
2013	9,584,779.00	9,584,779.00	100%	-
2014	10,154,322.00	10,154,322.00	100%	-
2015	10,550,093.00	10,550,093.00	100%	-
2016	10,761,094.00	10,761,094.00	100%	-
2017	10,868,706.00	10,868,706.00	100%	-
2018	11,086,080.00	11,086,080.00	100%	-

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

CITY OF WILDWOOD SCHOOL DISTRICT
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities			Bond Anticipation Notes (BANS)	Capital Leases	Total District	Business-Type Activities	
	General Obligation Bonds	Certificates of Participation	Capital Leases				Capital Leases	Percentage of Personal Income
2009			45,000.00			45,000.00	102.23%	46,005.00
2010			-			-	0.00%	47,498.00
2011			-			-	-	48,694.00
2012			-			-	-	48,694.00
2013			-			-	-	50,695.00
2014			916,810.74			916,810.74	5.70%	52,276.00
2015			747,547.20			747,547.20	6.99%	52,276.00
2016			564,076.13			564,076.13	9.19%	51,812.00
2017			374,900.77			374,900.77	14.22%	53,309.00
2017			180,725.41			180,725.41	30.36%	54,865.00

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

Exhibit J-11

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

Fiscal Year Ended June 30,	Governmental Activities			Percentage of Actual Taxable Value of Property	Debt Per Capita Personal Income
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2009	-	-	-	0.00%	46,005.00
2010	-	-	-	0.00%	47,498.00
2011	-	-	-	0.00%	48,694.00
2012	-	-	-	0.00%	48,694.00
2013	-	-	-	0.00%	50,695.00
2014	-	-	-	0.00%	52,276.00
2015	-	-	-	0.00%	52,276.00
2016	-	-	-	0.00%	51,812.00
2017	-	-	-	0.00%	53,309.00
2018	-	-	-	0.00%	54,865.00

CITY OF WILDWOOD SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt,
As of December 31, 2017

Exhibit J-12

<u>Governmental Unit</u>	Bonded Debt and Loans Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
City of Wildwood	\$ 19,696,637.99	100.00%	\$ 19,696,637.99
Other Debt			
City of Wildwood Water and Sewer Utilities	43,803,411.33	100.00%	43,803,411.33
County of Cape May	226,578,594.83	3.12%	7,069,252.16
Cape May County MUA	32,159,838.00	3.12%	1,003,386.95
Cape May Bridge Commission	12,946,834.17	3.12%	403,941.23
Subtotal, Overlapping Debt			52,279,991.66
City of Wildwood School District Direct Debt			-
Total Direct and Overlapping Debt			\$ 71,976,629.65

Sources:
County and District Records

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

Exhibit J-13

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	80,967,714	79,658,526	74,457,263	68,704,506	63,743,426	60,429,874	58,571,251	57,338,383	57,031,709	55,881,144
Total net debt applicable to limit										
Legal debt margin	<u>76,324,180</u>	<u>80,967,714</u>	<u>79,658,526</u>	<u>74,457,263</u>	<u>68,704,506</u>	<u>63,743,426</u>	<u>58,571,251</u>	<u>57,338,383</u>	<u>57,031,709</u>	<u>55,881,144</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Equalized valuation basis	2017	2016	2015
	\$ 1,354,311,472	\$ 1,420,171,561	\$ 1,416,602,804
			<u>\$ 4,191,085,837</u>

Average equalized valuation of taxable property	\$
	1,397,028,612

Debt limit (4% of average) Net bonded school debt Legal debt margin	\$
	55,881,144
	-
	<u>\$ 55,881,144</u>

Source: Abstract of Ratables and District Records CAFR Schedule J-7

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

Exhibit J-14

Fiscal Year Ended June 30,	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2009	5,209	239,640,045	46,005	26.8%
2010	5,322	252,784,356	47,498	27.8%
2011	5,281	257,153,014	48,694	28.9%
2012	5,269	256,568,686	48,694	30.6%
2013	5,231	265,185,545	50,695	30.6%
2014	5,193	271,469,268	52,276	18.3%
2015	5,156	269,535,056	52,276	21.8%
2016	5,120	265,277,440	51,812	20.3%
2017	5,120	272,942,080	53,309	18.8%
2018	5,070	278,165,550	54,865	18.8%

CITY OF WILDWOOD SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program,
 For the Fiscal Year Ended June 30, 2018

Exhibit J-16

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Instruction:										
Regular instruction	98.0	79.5	102.0	79.5	64.9	69.7	72.5	67.6	78.2	80.6
Special education instruction	24.0	27.6	26.0	27.6	28.3	26.8	22.7	23.7	20.9	19.4
Other special education instruction	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vocational education	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other instruction	0.0	7.0	6.5	7.0	19.3	12.0	15.1	19.5	13.5	4.5
Nonpublic school programs	1.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adult/continuing education programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support Services:										
Tuition	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Student & instruction related services	17.0	23.5	22.5	23.5	28.5	26.5	26.5	28.5	25.4	25.5
General administrative services	0.5	2.5	2.5	2.5	2.6	1.6	2.0	2.0	2.0	2.0
School administrative services	7.0	9.0	9.0	9.0	9.0	8.0	8.5	9.0	8.0	9.0
Business administrative services	3.5	4.5	4.5	4.5	4.0	3.7	4.7	5.0	5.0	5.0
Plant operations and maintenance	14.0	15.0	14.0	15.0	14.0	14.0	14.0	14.0	14.0	14.0
Pupil transportation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special schools	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Food Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Child Care	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	165	169	188.0	168.6	170.6	162.3	166.0	169.3	167.0	160.0

Source: District Personnel Records

CITY OF WILDWOOD SCHOOL DISTRICT
 Operating Statistics,
 For the Fiscal Year Ended June 30, 2018

Exhibit J-17

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2009	846.0	19,977,271.16	23,614	-11.62%	122	1:8	1:8	1:9	823.3	761.1	5.81%	92.45%
2010	837.0	19,970,383.25	23,859	1.04%	127	1:8	1:8	1:9	764.1	709.1	-7.19%	92.80%
2011	854.0	20,249,784.17	23,712	-0.62%	120	1:8	1:8	1:9	744.8	695.9	-2.53%	93.43%
2012	846.0	20,904,013.71	24,709	4.21%	132	1:8	1:6	1:7	758.5	703.6	1.84%	92.76%
2013	852.0	20,539,154.49	24,107	-2.44%	110	1:9	1:6	1:6	806.1	757.8	6.28%	94.01%
2014	871.0	18,645,011.82	21,406	4.21%	107	1:10	1:7	1:7	846.2	797.0	4.97%	94.19%
2015	869.0	20,046,281.28	23,068	7.76%	108	1:10	1:7	1:8	828.7	766.4	-2.07%	92.48%
2016	850.0	20,593,955.95	24,228	5.03%	107	1:9	1:8	1:6	837.7	776.2	1.09%	92.66%
2017	844.0	21,428,277.02	25,389	4.79%	113	1:8	1:7	1:6	829.4	775.7	-0.99%	93.53%
2018	823.0	24,453,976.23	29,713	17.03%	115	1:9	1:7	1:5	869.1	817.4	4.79%	94.05%

Source: District records, ASSA and Schedule J-4

CITY OF WILDWOOD SCHOOL DISTRICT
School Building Information,
For the Fiscal Year Ended June 30, 2018

Exhibit J-18

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
District Buildings										
<u>Wildwood Middle/High School</u>										
Square Feet	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	411	423	421	414	448	413	407	403	389	337
Elementary										
<u>Glenwood Avenue</u>										
Square Feet	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500
Capacity (students)	400	400	400	400	400	400	400	400	400	400
Enrollment	446	409	433	432	404	458	462	447	455	486

Other
 Number of Schools at June 30, 2018
 Elementary = 1
 High School/Middle School = 1
 Other = 0

Source: District Records, ASSA

CITY OF WILDWOOD SCHOOL DISTRICT
 General Fund
 For the Fiscal Year Ended June 30, 2018
 Last Ten Fiscal Years
 (Unaudited)

Exhibit J-19

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Wildwood High /Middle School	N/A	398,124.00	283,925.00	408,101.00	267,923.99	166,573.00	152,677.32	163,020.10	159,697.21	187,060.95	166,982.41
Glenwood Avenue Elementary	N/A	32,496.24	67,342.00	244,578.00	183,764.84	89,497.00	78,596.00	82,663.46	92,842.30	87,506.34	75,225.12
Total School Facilities		430,620.24	351,267.00	652,679.00	451,688.83	256,070.00	231,273.32	245,683.56	252,539.51	274,557.29	242,207.53
Other Facilities		-	-	-	56,513.32	-	-	-	-	-	-
Grand Total		430,620.24	351,267.00	652,679.00	508,202.15	256,070.00	231,273.32	245,683.56	252,539.51	274,557.29	242,207.53

Source: District Records

CITY OF WILDWOOD SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2018
(Unaudited)

Exhibit J-20

Company	Type of Coverage	Amount of Coverage	Deductible
NJSIG	Property		
	Real and Personal Property - (per Occurrence)	\$ 35,534,200.00	\$ 5,000.00
	Environmental Package	1,000,000.00	Various
	Cyber Liability	1,000,000.00	Various
	Extra Expense	50,000,000.00	5,000.00
	Valuable Papers and Records	10,000,000.00	5,000.00
NJSIG	School Leaders Errors and Omissions		
	Coverage A		
	Limit of Liability - Each Policy Period	6,000,000.00	5,000.00
	Coverage B		
	Limit of Liability - Each Claim	100,000.00	5,000.00
	Limit of Liability - Each Policy Period	300,000.00	
NJSIG	Electronic Data Processing		
	Hardware/Software (per occurrence)	\$ 300,000.00	\$ 1,000.00
NJSIG	Equipment Breakdown		
	Combined Single Limit per Accident for Prop Damage	100,000,000.00	5,000.00
NJSIG	Crime		
	Insuring Agreement 1 - Public Employee Dishonesty with Faithful Performance	250,000.00	1,000.00
	Insuring Agreement 2 - Theft, Disappearance and Destruction - Loss of Money & Securities On or Off Premises	10,000.00	500.00
	Insuring Agreement 3 - Theft, Disappearance and Destruction-Money Orders & Counterfeit Paper Currency	5,000.00	500.00
	Insuring Agreement 4 - Forgery or Alteration	100,000.00	1,000.00
	Insuring Agreement 5 - Computer Fraud	100,000.00	1,000.00
	Fidelity Bonds		
	-School Business Administrator/ Board Secretary	210,000.00	1,000.00
NJSIG	Comprehensive General Liability		
	Bodily Injury and Property Damage	6,000,000.00	
NJSIG	Automobile		
	Liability		
	Bodily Injury and Prop Damage	6,000,000.00	1,000.00
NJSIG	Workers' Compensation and Employers' Liability		
	As per Statutory Regulations		

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Single Audit Section



FORD - SCOTT

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K-1 INDEPENDENT AUDITOR'S REPORT

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

We have audited the basic financial statements of the Board of Education of the City of Wildwood, State of New Jersey, as of and for the fiscal year ended June 30, 2018, and have issued our report thereon dated January 25, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements presented by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Michael S. Garcia

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

January 25, 2019



FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-2 INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the City of Wildwood, County of Cape May, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the City of Wildwood School District's major federal and state programs for the year ended June 30, 2018. The City of Wildwood School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Wildwood School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Uniform Guidance and New Jersey OMB 15-08. Those standards, OMB Uniform Guidance and NJ OMB 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the City of Wildwood School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City of Wildwood School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the City of Wildwood School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

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

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

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

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

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

Michael S. Garcia

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

January 25, 2019

CITY OF WILWOOD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2017		Due to Grantor	Carryover Amount	Cash Received	Budgetary Expenditures		Balance at June 30, 2018	
						Accounts Receivable	Unearned Revenue				Pass Through Direct	Total	(Accounts Receivable)	Deferred Revenue
U.S. Department of Education														
General Fund:														
Medical Assistance (SEMI) Program	93.778	1805NJSMAP	N/A	7/1/2017	31,919.79					31,919.79				
Total General Fund					\$ 31,919.79					(31,919.79)				
U.S. Department of Education - Passed-Through														
Special Revenue Fund:														
State Department of Education														
Special Revenue Fund:														
Title I, Part A Cluster:														
Title I, Part A														
Title I, Part A	84.010A	S010A170030	NCLB5790-18	7/1/2017	611,725.00									
Title I, Part A	84.010A	S010A160030	NCLB5790-17	7/1/2016	600,766.00	1,646.86				344,361.00				3,232.83
Title I, Part A	84.010A	S010A160030	17-AY07-H02	6/30/2017	99,935.00	40,258.92				166,893.00				1,646.86
Title I, Part A	84.010A	S010A150030	17-AY06-G02	7/1/2016	72,817.00	372.38				68,792.00				(960.02)
Total Title I - Part A Cluster						42,278.16				580,046.00				3,605.31
Title IA														
Title IA	84.367A	S367A170030	NCLB5790-18	7/1/2017	50,036.00									
Title IA	84.367A	S367A160030	NCLB5790-17	7/1/2016	91,383.00	23,451.85				21,563.00				
Title III	84.365A	S365A170030	NCLB5790-18	7/1/2017	46,938.00					46,938.00				
Title III	84.365A	S365A160030	NCLB5790-17	7/1/2016	43,350.00					17,710.00				
Title III	84.365A	S365A150030	NCLB5790-16	7/1/2015	43,495.00	2.74	1,184.00			40,668.37				2,681.63
Title III	84.365A	S365A140030	NCLB5790-15	7/1/2014	47,625.00	3,366.42				16,720.00				
Special Education Cluster:														
I.D.E.A. Part B, Basic	84.027	H027A170100	IDEA5790-18	7/1/2017	246,665.00					246,665.00				
I.D.E.A. Preschool	84.173	H173A170114	IDEA5790-16	7/1/2017	4,891.00					4,891.00				
Total Special Education Cluster										(4,891.00)				
Total Special Education Fund										251,556.00				
College and Career Readiness														
College and Career Readiness	84.010A	S010A150030	16E00114	9/1/2015	249,649.00	0.67								
College and Career Readiness	84.010A	S010A160030	17E00114	9/1/2016	250,000.00	67,558.12				102,063.00				
Title IV	84.424	S424A170031	NCLB5790-18	7/1/2017	10,000.00					10,000.00				
Temporary Emergency Impact Aid	84.938C	S938C18005	N/A	7/1/2017	78,500.00									
21st Century	84.287C	S287C150030	09-5790	9/1/2017	500,000.00					258,917.00				
21st Century	84.287C	S287C160030	09-5790	9/1/2016	345,000.00	196.47				112,232.00				
21st Century	84.287C	S287C170030	09-5790	9/1/2015	355,000.00	196,650.86	1,184.00			1,417,735.00				
Total Special Revenue Fund										(1,806,772.07)				137,327.94
U.S. Department of Agriculture - Passed-Through														
Enterprise Fund:														
Food Distribution Program														
Child Nutrition Program Cluster:														
National School Lunch Program	10.555	1818NJ304N1099	N/A	7/1/2017	56,225.18									
National School Lunch Program	10.555	1818NJ304N1099	N/A	7/1/2016	456,725.75					56,225.18				
National School Lunch Program - PB	10.555	1717NJ304N1099	N/A	7/1/2017	424,720.80									
National School Lunch Program - PB	10.555	1818NJ304N1099	N/A	7/1/2016	22,336.32					424,720.80				
National School Lunch Program - PB	10.555	1717NJ304N1099	N/A	7/1/2017	8,431.86									
National School Lunch Program - PB	10.555	1818NJ304N1099	N/A	7/1/2016	8,013.60					7,896.24				
School Breakfast Program	10.553	1818NJ304N1099	N/A	7/1/2017	262,372.33									
School Breakfast Program	10.553	1717NJ304N1099	N/A	7/1/2016	254,549.16					246,551.03				
School Breakfast Program	10.555	1818NJ304N1099	N/A	7/1/2016	58,785.76					12,878.52				
School Snacks Program	10.555	1818NJ304N1099	N/A	7/1/2016	46,888.06					56,986.16				
School Snacks Program	10.555	1717NJ304N1099	N/A	7/1/2016	606.30					606.30				
Dinner Program	10.558	1818NJ304N1099	N/A	7/1/2016	74,665.35					65,652.47				
Dinner Program	10.558	1717NJ304N1099	N/A	7/1/2016	43,571.67					2,773.02				
Fresh Fruit and Vegetable Program	10.555	1818NJ304L1603	N/A	7/1/2017	26,173.41									
Fresh Fruit and Vegetable Program	10.555	1717NJ304L1603	N/A	7/1/2016	24,085.08					22,781.90				
Total Child Nutrition Program Cluster										872,395.78				
Total Enterprise Fund										928,620.96				
Total Federal Financial Awards										\$ 2,378,275.75				137,327.94

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

CITY OF WILLOWOOD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2018

State Grant/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2017			Cash Received	Subsidy Expenditures	Adjustments of Prior Years Balances	Balance at June 30, 2018			Memo
				Accounts Receivable	Deferred Revenue	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	
State Department of Education Grant Fund													
Special Education Categorical Aid	18-495-034-5120-069	7/1/2017	6/30/2018	\$ 402,345.00			372.5	402,345.00				(29,825.25)	402,345.00
Transportation Aid	18-495-034-5120-014	7/1/2017	6/30/2018	119,536.00			110,674.97	(119,536.00)				(8,861.03)	119,536.00
Special Education	18-495-034-5120-068	7/1/2017	6/30/2018	3,525,216.00			3,263,896.89	(3,525,216.00)				(261,319.11)	3,525,216.00
Adult Education	18-495-034-5120-065	7/1/2017	6/30/2018	277,022.00			256,486.76	(277,022.00)				(20,535.24)	277,022.00
Security Aid	18-495-034-5120-064	7/1/2017	6/30/2018	39,619.00	(39,619.00)		39,619.00					(45,762.00)	39,619.00
Extraordinary Aid	17-100-034-5120-473	7/1/2016	6/30/2017	7,750.00			7,175.50	(45,762.00)				(574.50)	7,750.00
PARC Readiness Aid	18-495-034-5120-098	7/1/2017	6/30/2018	7,750.00			7,046.88	(7,750.00)				(574.50)	7,750.00
Per Pupil Growth Aid	18-495-034-5120-097	7/1/2017	6/30/2018	2,016,523.90			2,016,523.90	(2,016,523.90)				(584.12)	2,016,523.90
Professional Learning Community Contributions	18-495-034-5120-101	7/1/2017	6/30/2018	617,058.88			589,655.64	(617,058.88)				(30,059.67)	617,058.88
Reimbursed TAF Social Security Contributions	18-495-034-5095-002	7/1/2016	6/30/2017	619,913.31	(39,253.36)		7,503,042.76	(619,913.31)				(462,110.91)	619,913.31
Reimbursed TAF Social Security Contributions	18-495-034-5095-002	7/1/2017	6/30/2018										
Total General Fund					(69,872.36)			(7,895,281.31)					8,552,606.19
Special Revenue Fund:													
Preschool Education Aid	495-034-5120-066	7/1/2017	6/30/2018	419,900.00	(41,900.00)		41,900.00	(6,384.29)				(84,605.78)	6,384.29
Preschool Education Aid	495-034-5120-066	7/1/2016	6/30/2017	805,856.00	(41,900.00)	6,384.29	721,259.22	(735,308.48)				(84,605.78)	735,308.48
Total Special Revenue Fund						6,384.29	753,248.22	(741,692.77)					741,692.77
Capital Projects Fund													
ROD Roof Replacement	5790-050-14-1001-G4	open		506,000.00	(129,668.96)							(129,668.96)	(506,000.00)
Total Capital Projects Fund													(506,000.00)
State Department of Agriculture Enterprise Fund:													
National School Lunch Program (State Share)	100410-33860-067	7/1/2017	6/30/2018	7,729.21			7,237.25	(7,729.21)	(0.97)				
National School Lunch Program (State Share)	100410-33860-067	7/1/2016	6/30/2017	7,346.80	(386.32)		386.32						
Total Enterprise Fund								(7,729.21)					
Total State Financial Assistance				\$	(241,917.64)	6,384.29	8,273,915.55	(8,644,701.29)	(0.97)			(230,957.40)	8,179,206.96
								(2,018,533.00)					
								(6,626,168.29)					

Less: On-Behalf Contributions:
Total for State Financial Assistance

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

CITY OF WILDWOOD SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards
and State Financial Assistance
For the Year Ended June 30, 2018

Note 1: General

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

Note 2: Basis of Accounting

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(C) and 1(D) to the Board's basic financial statements. The information on these schedules are presented in accordance with the requirements of OMB Uniform Guidance and NJ OMB 15-08. Therefore, some amounts presented on these schedules may differ from amounts presented in, or used in the presentation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

Note 3: Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$48,651.78 for the general fund and \$30,787.64 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis:

	<u>Federal</u>	<u>State</u>	<u>On-Behalf</u>	<u>Total</u>
General Fund	\$ 31,919.79	7,946,318.09	(2,018,533.00)	5,959,704.88
Special Revenue Fund	1,609,616.97	769,633.51		2,379,250.48
Food Service Fund	943,379.65	7,729.24		951,108.89
	<u>\$ 2,584,916.41</u>	<u>8,723,680.84</u>	<u>(2,018,533.00)</u>	<u>9,290,064.25</u>

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

CITY OF WILDWOOD SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards
and State Financial Assistance
For the Year Ended June 30, 2018
(Continued)

Note 4: Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2018. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2018.

**CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2018**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified Opinion

Internal control over financial reporting:

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

2) Significant Deficiencies identified? _____ Yes X None reported

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

Federal Awards

Internal Control over major programs:

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

2) Significant Deficiencies identified ? _____ Yes X None reported

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

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

Identification of major programs:

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

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

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

**CITY OF WILDWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2018
(CONTINUED)**

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

State Awards

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

Auditee qualified as low-risk auditee? X Yes No

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

Internal Control over major programs:

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

2) Significant Deficiencies identified? Yes X None reported

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

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
495-034-5120-078	<u>State Aid - Public</u>
495-034-5120-014	Equalization Aid
495-034-5120-089	Transportation Aid
495-034-5120-084	Special Education Categorical Aid
495-034-5120-085	Security Aid
495-034-5120-097	Adjustment Aid
495-034-5120-098	PARCC Readiness Aid
495-034-5120-101	Per Pupil Growth Aid
	Professional Learning Community Aid

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

NONE

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

NONE

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

STATUS OF PRIOR-YEAR FINDINGS:

None noted.