

SCHOOL DISTRICT
OF
BOROUGH OF WOODBINE

Borough of Woodbine Board of Education
Woodbine, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2018

COMPREHENSIVE ANNUAL FINANCIAL REPORT

of the

Borough of Woodbine Board of Education

Woodbine, New Jersey

For the Fiscal Year Ended June 30, 2018

Prepared by

Borough of Woodbine Board of Education

Finance Department

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE BOROUGH OF WOODBINE BOARD OF EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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INTRODUCTORY SECTION

WOODBINE BOARD OF EDUCATION

801 Webster Street
Woodbine, New Jersey 08270

January 23, 2019

Honorable President and
Members of the Board of Education
Borough of Woodbine School District
County of Cape May

Dear Board Members:

The Comprehensive Annual Financial Report of the Borough of Woodbine School District for the fiscal year ending 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 the principal officials. The financial section includes the basic financial statements and schedules, management's discussion and analysis, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audits of States, Local Governments, and Non-Profit Organizations" and the State of New Jersey Treasury Circular OMB 15-08,. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of the report.

1. REPORTING ENTITY AND ITS SERVICES:

The Borough of Woodbine School District is an independent reporting entity within the criteria adopted by GASB as established by GASB Statement 14. All funds of the District are included in this report. The Borough of Woodbine Board of Education and its school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels PK through 8. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2017-18 fiscal year with an enrollment of 221 students, which is 7 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

<u>Year</u>	<u>Enrollment</u>	<u>Change from Prior Year</u>
2017-18	221	-3.17%
2016-17	228	7.02%
2015-16	212	2.91%
2014-15	206	*-2.83%
2013-14	212	*-3.64%
2012-13	220	*4.20%
2011-12	211	*-2.76%
2010-11	217	*-4.41%
2009-10	227	*6.57%
2008-09	213	14.52%

*Actual Enrollment as of June 30.

2 ECONOMIC CONDITION AND OUTLOOK:

The Borough of Woodbine continued to experience slow economic development during the past year. The district's status as a district in severe need is primarily due to a higher than average number of low- income families, a higher than average transient student population and a decrease in ratables.

The economic outlook for the Borough of Woodbine remains status quo. The Stockton College expansion of the Azeez Museum was completed and the Borough is continuing work on the pipeline project throughout the Borough.

3 MAJOR INITIATIVES:

The education of our children remains the top priority for the District. During the past year, the district continued to make changes in all curriculum areas in response to the implementation of the New Jersey Common Core Standards and the new teacher and principal evaluation tools.

During the past year, the district was in the fourth year of the choice school program. In 2017-18 the district had 4 choice students from other districts.

Also, during the 2017-18 school-year, the district continued the Free Breakfast Program where nutritious breakfasts are offered to all students before classes each day.

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 is 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 and 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assignments to 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 Standard Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 1.

7. FINANCIAL INFORMATION AT FISCAL YEAR-END:

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

8. DEBT ADMINISTRATION:

At June 30, 2018, the District's outstanding debt issues included \$2,262,000 of school bonds. There is also \$2,507,344 available for future debt authorizations in accordance with NJSA 18A.

9. CASH MANAGEMENT:

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

10. RISK MANAGEMENT:

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

11. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nightlinger, Colavita and Volpa, PA. was appointed by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Treasury Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's report related specifically to the single audit are included in the single audit section of this report.

12. ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Borough of Woodbine Board of Education 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 service of our staff.

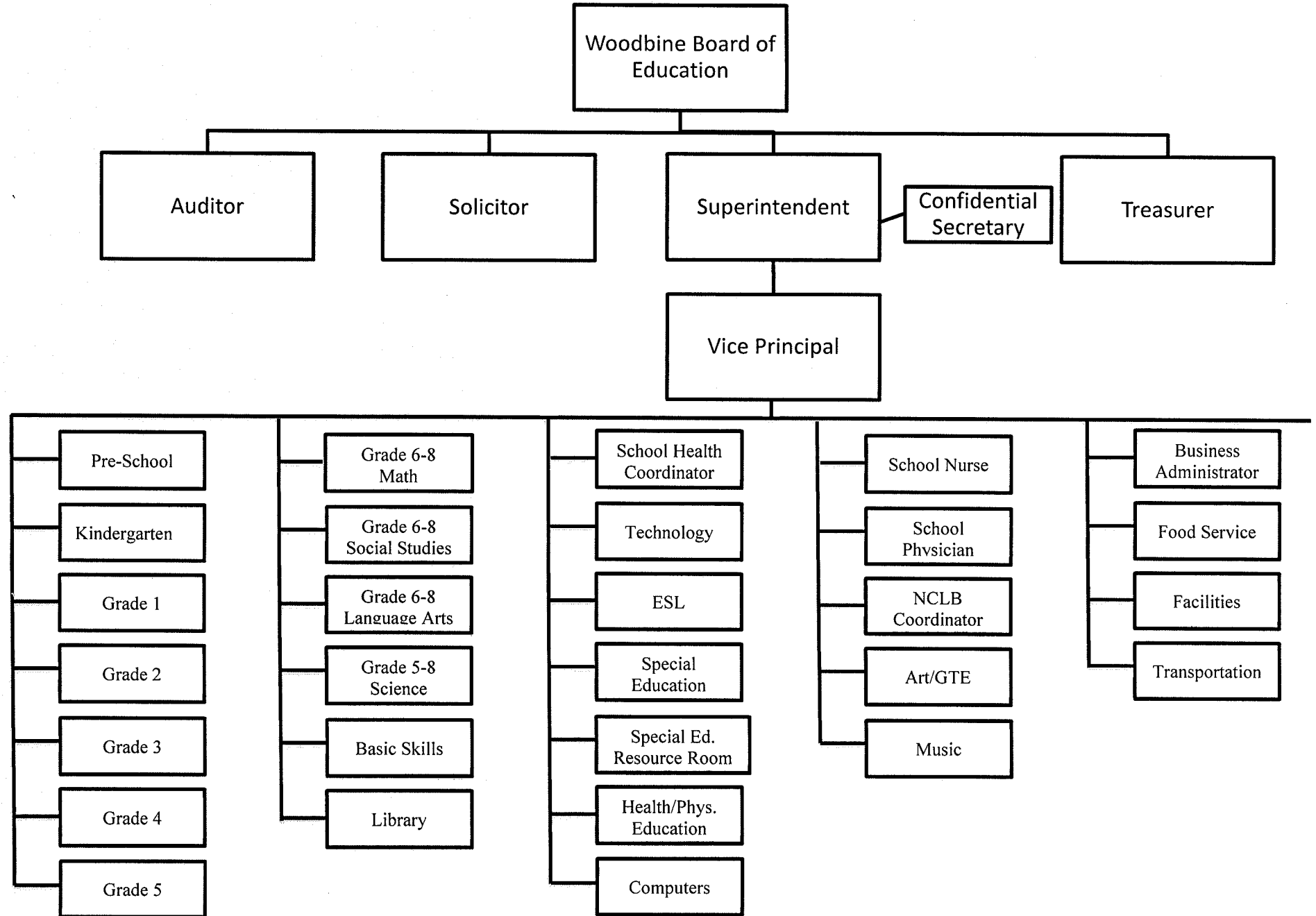
Respectfully submitted:

Anthony DeVico

Anthony DeVico
Principal/Superintendent

Darren Harris

Darren Harris
Board Secretary/
Business Administrator



BOROUGH OF WOODBINE
BOARD OF EDUCATION
WOODBINE, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2018

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Gregory Hudgins, President	2018
Patrick Keenan, Vice President	2020
Adelina Feliciano	2019
Janita Hutchinson	2020
Donald Jenkins	2018
Alicia Larcombe	2018
Miriam Vives-Rivera	2020
Rachel Young	2019
Vacancy	
<u>OTHER OFFICIALS</u>	<u>Bond Amount</u>
Anthony DeVico, Principal/Superintendent	
Darren Harris, Business Administrator	
Frank Onorato, Treasurer of School Monies	\$180,000
Michael Stanton, Esq., Solicitor	

BOROUGH OF WOODBINE BOARD OF EDUCATION
COUNTY OF CAPE MAY
WOODBINE, NJ

CONSULTANTS AND ADVISORS

ATTORNEY

Mike Stanton
McCrosson & Stanton
200 Asbury Ave
Ocean City, NJ 08226

AUDIT FIRM

Raymond Colavita, CPA, RMA
Nightlinger, Colavita and Volpa, P. A.
Certified Public Accountants
991 S. Black Horse Pike
P.O. Box 799
Williamstown, NJ 08094

OFFICIAL DEPOSITORY

Sturdy Savings Bank
506 S. Main Street
P.O. Box 900
Cape May Court House, New Jersey 08210

FINANCIAL SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

991 S. Black Horse Pike
P.O. Box 799
Williamstown, NJ 08094

(856) 629-3111
Fax (856) 728-2245
www.colavita.net

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Borough of Woodbine 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 Board of Education of the Borough of Woodbine School District, New Jersey, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Borough of Woodbine School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules related to accounting and reporting for pensions 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 Borough of Woodbine School Board of Education's basic financial statements. The introductory section, combining and individual non-major fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements.

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


The introductory 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2019 on our consideration of the Borough of Woodbine Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Woodbine Board of Education's of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Woodbine Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915
January 23, 2019

REQUIRED SUPPLEMENTARY INFORMATION – PART I

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

The discussion and analysis of Borough of Woodbine 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 increased \$316,857, which represents an increase of 15.0% percent from 2017.
- General revenues accounted for \$6,033,892 of total revenue or 78.2% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions and capital grants and contributions accounted for \$1,677,869 or 21.8% of total revenues of \$7,406,020.
- Total assets of governmental activities decreased by \$148,889 as capital assets decreased by \$237,303, cash increased by \$90,117, and receivables decreased by \$1,703.
- The School District had \$7,394,904 in expenses of which only \$1,677,889 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and state aid) of \$-5,717,035 were used to provide for these programs.
- Among governmental funds, the General Fund had \$5,411,861 in revenues and \$5,080,971 in expenditures. The General Fund's fund balance increased \$320,348 from 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 Borough of Woodbine 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 Borough of Woodbine School District, the General Fund is by far the most significant fund.

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 ask the question, "How did we do financially during 2018?" The Statement of Net Position and the Statement of Activities answer 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 consideration 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 their assets. 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 Latchkey and Food Service enterprise funds are 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 transaction. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service 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 readily 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.

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.

Net position: The District's governmental activities net position increased \$326,871 between fiscal years 2017 and 2018. The business-type activities net assets decreased \$10,014 due to operating costs in excess of revenues.

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current and Other Assets \$	1,295,362	\$ 1,333,448	\$ 30,533	\$ 46,745	\$ 1,325,895	\$ 1,380,193
Capital Assets, Net	5,398,472	5,635,775	104,018	116,477	5,502,490	5,752,252
Total Assets	6,693,834	6,969,223	134,551	163,222	6,828,385	7,132,445
Liabilities						
Long-term Liabilities	2,966,042	3,562,742			2,966,042	3,562,742
Other Liabilities	1,421,761	1,427,321	7,450	26,107	1,429,211	1,453,428
Total Liabilities	4,387,803	4,990,063	7,450	26,107	4,395,253	5,016,170
Net Position						
Invested in Capital Assets	3,136,472	3,143,775	104,018	116,477	3,240,490	3,260,252
Restricted (Deficit)	200,750	129,862			200,750	129,862
Unrestricted (Deficit)	(1,031,191)	(1,294,477)	23,083	20,638	(1,008,108)	(1,273,839)
Total Net Position	\$ 2,306,031	\$ 1,979,160	\$ 127,101	\$ 137,115	\$ 2,433,132	\$ 2,116,275

Changes in net position: The total general revenues of the District increased by \$492,467 due to an increase in local revenue, federal aid and state aid. The local tax levy is 25.2% of total governmental activity revenues. The municipality levies this tax on properties located in the Borough and remits the collections on a monthly basis to the District.

Approximately 73.3% of the District's total governmental activity revenue comes from the State of New Jersey in the form of state aid, along with federal awards. The state aid is based on the Districts enrollment as well as other factors such as legislative funding of the SFRA formula. The District expenses are primarily related to instruction, administration and plant operations.

Governmental and Program Revenues	2018	2018	2017	2017
	Amount	Percentage	Amount	Percentage
Property Taxes	\$ 1,892,612	\$ 24.54%	\$ 1,768,718	\$ 23.47%
Unrestricted Federal and State Aid	3,867,765	50.15%	3,467,672	46.01%
Restricted Federal and State Aid	153,795	1.99%	152,111	2.02%
Miscellaneous	119,720	1.55%	152,924	2.03%
Operating Grants and Contributions	1,677,869	21.75%	1,994,948	26.47%
Totals	\$ 7,711,761	\$ 99.99%	\$ 7,536,373	\$ 100.00%

Governmental Activities

The following schedule summarizes the governmental and business-type activities of the District during the 2018 and 2017 fiscal years.

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenue						
Charges for Services	\$	\$	\$ 29,197	\$ 30,936	\$ 29,197	\$ 30,936
Federal and State Grants	1,490,319	1,802,525	158,353	161,487	1,648,672	1,964,012
General Revenues						
Property Taxes	1,892,612	1,768,718			1,892,612	1,768,718
Federal/State Aid Entitlement	4,021,560	3,619,783			4,021,560	3,619,783
Miscellaneous	119,706	152,911	14	13	119,720	152,924
Total Revenues	7,524,197	7,343,937	187,564	192,436	7,711,761	7,536,373
Expenses						
Instruction						
Regular	2,333,757	1,882,365			2,333,757	1,882,365
Special Education	696,544	428,747			696,544	428,747
Other Instruction	24,021	104,733			24,021	104,733
Support Services						
Instruction	1,469,890	2,197,385			1,469,890	2,197,385
Student & Instruct Related	816,835	767,908			816,835	767,908
General Admin Services	581,008	410,315			581,008	410,315
School Admin Services	382,550	276,115			382,550	276,115
Plant Operations/Maint	583,414	569,570			583,414	569,570
Pupil Transportation	214,689	351,367			214,689	351,367
Unallocated Interest Expense	94,618	101,318			94,618	101,318
Capital Outlay						
Business Type Activities			197,578	188,481	197,578	188,481
Total Expenses	7,197,326	7,089,823	197,578	188,481	7,394,904	7,278,304
Excess (Deficiency) before Extraordinary/Special Items	326,871	254,114	(10,014)	3,955	316,857	258,069
Increase (Decrease) in Net Position	\$ 326,871	\$ 254,114	\$ (10,014)	\$ 3,955	\$ 316,857	\$ 258,069

Business-type Activities

Program revenues of the District's business-type activities decreased by \$4,871 over the previous year and expenditures increased by \$9,099.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year end, the governmental funds reported a combined deficit in fund balance of \$(7,975) which is \$326,377 more than the beginning of the year. This is mainly a result of the district strictly limiting spending.

General Fund Budgetary Highlights

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 \$5,752,252 invested in land, building and machinery and equipment. The following shows fiscal year 2017 balances compared to 2016.

Capital Assets (Net of Depreciation) at June 30

	2018	2017
Land and Building Improvements	1	1
Building and Building Improvements	5,386,378	5,617,716
Machinery and Equipment	116,111	134,535
Total	<u>\$ 5,502,490</u>	<u>\$ 5,752,252</u>

Overall capital assets decreased \$249,762 from fiscal year 2017 to fiscal year 2018. The decrease in capital assets is due depreciation in addition inventory adjustments during the current year. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At June 30, 2018, the School District had \$3,408,042 of outstanding debt. Of this amount, \$110,896 is for compensated absences, \$593,146 is for net pension liability, and \$2,262,000 is the serial bonds that were issued in 2010. There is also a Loan payable to the State of New Jersey for Advanced State Aid in the amount of \$442,000.

For the Future

The Borough of Woodbine School District is in good financial condition presently. The School District is proud of its community support of the public schools.

The District continues to provide quality education programs while continuing to stabilize the tax rate in Borough of Woodbine. In conclusion, the Borough of Woodbine School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the 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 Darren Harris, Business Administrator at Borough of Woodbine School District, 801 Webster Street, Borough of Woodbine, New Jersey 08270.

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.

BOROUGH OF WOODBINE SCHOOL DISTRICT
Statement of Net Position
June 30, 2018

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 428,186	\$ 16,152	\$ 444,338
Receivables, net	685,659	7,539	693,198
Due from Trust & Agency Funds	3,883		3,883
Inventory		6,842	6,842
Capital assets, net	5,398,472	104,018	5,502,490
Total Assets	<u>6,516,200</u>	<u>134,551</u>	<u>6,650,751</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	177,634		177,634
Total Deferred Outflows of Resources	<u>177,634</u>		<u>177,634</u>
LIABILITIES			
Accounts payable	52,035	2,780	54,815
Other Current Liabilities	3,360	4,670	8,030
Accrued Interest Payable	24,544		24,544
Loan Payable	561,991		561,991
Unearned Revenue	66,317		66,317
Noncurrent Liabilities:			
Payable to State Government	442,000		442,000
Due within one year	245,000		245,000
Due beyond one year	2,127,896		2,127,896
Net Pension Liability	593,146		593,146
Total Liabilities	<u>4,116,289</u>	<u>7,450</u>	<u>4,123,739</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	271,514		271,514
Total Deferred Inflows of Resources	<u>271,514</u>		<u>271,514</u>
NET POSITION			
Invested in Capital Assets, Net of Related Debt	3,136,472	104,018	3,240,490
Restricted	309,940		309,940
Unrestricted (Deficit)	(1,140,381)	23,083	(1,117,298)
Total Net Position	<u>\$ 2,306,031</u>	<u>\$ 127,101</u>	<u>\$ 2,433,132</u>

See Accompanying Notes to the Financial Statements

BOROUGH OF WOODBINE SCHOOL DISTRICT
Statement of Changes in Net Position
For the Year Ended June 30, 2018

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business Type Activities	
Governmental Activities:							
Instruction:							
Regular	\$ 1,941,186	\$ 392,571	\$ -	\$ 489,596	\$ (1,844,161)	\$ -	\$ (1,844,161)
Special Education	549,068	147,476			(696,544)		(696,544)
Other Instruction	18,886	5,135			(24,021)		(24,021)
Support Services:							
Tuition	1,469,890				(1,469,890)		(1,469,890)
Student & Instruction Related Services	736,502	80,333		331,804	(485,031)		(485,031)
General and Central Administrative Services	431,134	149,874			(581,008)		(581,008)
School Administrative Services	333,030	49,520		668,919	286,369		286,369
Plant Operations and Maintenance	462,250	121,164			(583,414)		(583,414)
Pupil Transportation	214,689				(214,689)		(214,689)
Unallocated Benefits	946,073	(946,073)					
Unallocated Interest Expense	94,618				(94,618)		(94,618)
Total Governmental Activities	7,197,326	-		1,490,319	(5,707,007)		(5,707,007)
Business-type Activities:							
Food Service	182,908		10,254	158,353		(14,301)	(14,301)
Child Care	14,670		18,943			4,273	4,273
Total Business-type Activities	197,578		29,197	158,353		(10,028)	(10,028)
Total Primary Government	\$ 7,394,904	\$ -	\$ 29,197	\$ 1,648,672	\$ (5,707,007)	\$ (10,028)	\$ (5,717,035)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					\$ 1,735,875	\$ -	\$ 1,735,875
Property Taxes, Levied for Debt Service					156,737		156,737
Federal and State Aid Not Restricted					3,867,765		3,867,765
Federal and State Aid - Restricted for Specific Purpose					153,795		153,795
Miscellaneous Income					130,261	14	130,275
Transfer to Charter Schools					(10,555)		(10,555)
Total General Revenues, Special Items, Extraordinary Items and T					6,033,878	14	6,033,892
Change in Net Position					326,871	(10,014)	316,857
Net Position—Beginning					1,979,160	137,115	2,116,275
Net Position—Ending					\$ 2,306,031	\$ 127,101	\$ 2,433,132

FUND FINANCIAL STATEMENTS

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund.

GOVERNMENTAL FUNDS

BOROUGH OF WOODBINE 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	\$ 419,504	\$	\$ 1,802	\$ 421,306
Due from Other Funds	76,015			76,015
Receivables from Other Governments	17,156	106,512	561,991	685,659
Total Assets	512,675	106,512	563,793	1,182,980
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	17,584	34,451		52,035
State Aid Loan Payable	442,000			442,000
Loan Payable			561,991	561,991
Due to Grantor		3,360		3,360
Interfunds Payable	2,565	62,674	13	65,252
Unearned Revenue		66,317		66,317
Total Liabilities	462,149	166,802	562,004	1,190,955
Fund Balances:				
Restricted for:				
Excess Surplus	109,190			109,190
Maintenance Reserve	128,073			128,073
Capital Reserve	70,888			70,888
Capital Projects			1,789	1,789
Assigned to:				
Encumbrances	84,728			84,728
Designated for Subsequent Year's Expenditures	95,078			95,078
Unreserved, Reported in:				
General Fund (Deficit)	(437,431)			(437,431)
Special Revenue Fund (Deficit)		(60,290)		(60,290)
Total Fund Balances (Deficit)	50,526	(60,290)	1,789	(7,975)
Total Liabilities and Fund Balances	\$ 512,675	\$ 106,512	\$ 563,793	

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 Assets is \$9,347,102 and the accumulated depreciation is \$3,948,630 (See Note)	5,398,472
Pension liabilities net of deferred inflows and outflows	(687,026)
Long-term liabilities, including bonds payable and compensated absences, and accrued interest, are not due and payable in the current period and therefore are not reported in the current period and therefore are not reported in the funds.	(2,397,440)
Net position of governmental activities	\$ 2,306,031

BOROUGH OF WOODBINE SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2018

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local tax levy	\$ 1,735,875	\$	\$	\$ 156,737	\$ 1,892,612
Rents	32,745				32,745
Miscellaneous	97,503		13		97,516
Local sources		13,803			13,803
State sources	3,543,920	662,982		153,795	4,360,697
Federal sources	1,818	295,686			297,504
Total revenues	<u>5,411,861</u>	<u>972,471</u>	<u>13</u>	<u>310,532</u>	<u>6,694,877</u>
EXPENDITURES					
Current:					
Regular instruction	1,006,897	489,596			1,496,493
Special education instruction	382,013				382,013
Other instruction	13,068				13,068
Support services and undistributed costs:					
Tuition	1,469,890				1,469,890
Student & instruction related services	193,227	331,804			525,031
General administrative services	231,031				231,031
School administrative services	131,893	145,042			276,935
Central Services	120,473				120,473
Administrative Info. Technology	30,330				30,330
Plant operations and maintenance	325,001				325,001
Pupil transportation	214,689				214,689
Unallocated Benefits	946,073				946,073
Debt Service:					
Principal				230,000	230,000
Interest				80,532	80,532
Capital outlay	16,386				16,386
Total expenditures	<u>5,080,971</u>	<u>966,442</u>	<u></u>	<u>310,532</u>	<u>6,357,945</u>
Excess (Deficiency) of revenues over expenditures	<u>330,890</u>	<u>6,029</u>	<u>13</u>		<u>336,932</u>
OTHER FINANCING (USES)					
Interest Earned in Capital Projects Fund	13		(13)		
Transfer to Charter Schools	(10,555)				(10,555)
Total other financing and uses	<u>(10,542)</u>		<u>(13)</u>		<u>(10,555)</u>
Net change in fund balances	320,348	6,029			326,377
Fund balance (Deficit)—July 1	(269,822)	(66,319)	1,789		(334,352)
Fund balance (Deficit)—June 30	<u>\$ 50,526</u>	<u>\$ (60,290)</u>	<u>\$ 1,789</u>	<u>\$</u>	<u>\$ (7,975)</u>

BOROUGH OF WOODBINE SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Changes in Net Position
For the Year Ended June 30, 2018

Total net change in fund balances - governmental funds (from B-2)	\$	326,377
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p>Repayment of long term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.</p>		230,000
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>	<p>Depreciation Expense \$ (237,304)</p> <p>Capital Outlays <u> </u></p>	(237,304)
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		(4,760)
<p>Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.</p>		10,257
<p>In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.</p>		2,300
Change in net position of governmental activities	\$	<u>326,871</u>

PROPRIETARY FUNDS

BOROUGH OF WOODBINE SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2018

	<u>Non-Major Funds</u>	<u>Totals</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 23,032	\$ 23,032
Accounts receivable:		
Federal	7,263	7,263
State	92	92
Other	184	184
Interfunds Receivable	7,183	7,183
Inventories	6,842	6,842
Total current assets	<u>44,596</u>	<u>44,596</u>
Noncurrent assets:		
Furniture, machinery & equipment	194,511	194,511
Less accumulated depreciation	<u>(90,493)</u>	<u>(90,493)</u>
Total noncurrent assets	<u>104,018</u>	<u>104,018</u>
Total assets	<u>\$ 148,614</u>	<u>\$ 148,614</u>
LIABILITIES		
Current liabilities:		
Unearned Income	\$ 4,670	\$ 4,670
Interfund payable	14,063	14,063
Accounts Payable	2,780	2,780
Total current liabilities	<u>21,513</u>	<u>21,513</u>
Total liabilities	<u>\$ 21,513</u>	<u>\$ 21,513</u>
NET POSITION		
Invested in Capital Assets Net of Related Debt	\$ 104,018	\$ 104,018
Unrestricted	<u>23,083</u>	<u>23,083</u>
Total Net Position	<u>\$ 127,101</u>	<u>\$ 127,101</u>

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

	Non-Major Funds	Total Enterprise
Operating revenues:		
Charges for services:		
Daily sales	\$ 3,071	\$ 3,071
Latchkey program revenue	18,943	18,943
Miscellaneous	7,183	7,183
Total operating revenues	29,197	29,197
Operating expenses:		
Salaries	63,814	63,814
Employee Benefits	10,130	10,130
Supplies and materials	6,031	6,031
Direct Expenses	9,584	9,584
Management Fee	14,743	14,743
Cost of Sales - Reimbursable	77,697	77,697
Cost of Sales - Non Reimbursable	3,120	3,120
Depreciation	12,459	12,459
Total Operating Expenses	197,578	197,578
Operating (loss)	(168,381)	(168,381)
Nonoperating revenues (expenses):		
State sources:		
State school lunch program	1,742	1,742
Federal sources:		
National school lunch program	89,873	89,873
National school breakfast program	49,177	49,177
School snack program	3,045	3,045
Food distribution program	14,516	14,516
Interest and investment revenue	14	14
Total non-operating revenues	158,367	158,367
Change in Net Position	(10,014)	(10,014)
Total Net Position - Beginning	137,115	137,115
Total Net Position—Ending	\$ 127,101	\$ 127,101

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

	Non-Major Funds		Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 29,197	\$	29,197
Payments to employees	(73,758)		(73,758)
Payments to cost of sales	(97,840)		(97,840)
	(142,401)		(142,401)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash received from local, state and federal reimbursements	143,837		143,837
	143,837		143,837
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Net cash used in capital and related financing activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest	14		14
	14		14
Net increase/(decrease) in cash and cash equivalents	1,450		1,450
Balances—beginning of year	21,582		21,582
Balances—end of year	\$ 23,032	\$	23,032
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating Income (Loss)	\$ (168,381)	\$	(168,381)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities			
Depreciation	12,459		12,459
Federal Commodities	14,516		14,516
Change in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	25,601		25,601
(Increase)/Decrease in Interfund Receivable	(7,183)		(7,183)
(Increase)/Decrease in Inventory	(756)		(756)
Increase/(Decrease) in Interfund Payable	-		-
Increase/(Decrease) in Accounts Payable	(19,018)		(19,018)
Increase/(Decrease) in Unearned Revenue	361		361
	25,980		25,980
Net cash (used for) operating activities	\$ (142,401)	\$	(142,401)

FIDUCIARY FUNDS

BOROUGH OF WOODBINE SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	<u>Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Cash and Cash Equivalents	\$ 12,145	\$ 40,558
Total Assets	<u>\$ 12,145</u>	<u>\$ 40,558</u>
LIABILITIES		
Due to Student Groups	\$	\$ 2,535
Due to General Fund		3,883
Payroll Deductions and Withholdings		18,733
Net Payroll		15,408
Total liabilities		<u>\$ 40,558</u>
NET POSITION		
Expendable Trust - Scholarship Fund	<u>\$ 12,145</u>	

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

	<u>Private Purpose Scholarship Fund</u>
ADDITIONS	
Contributions:	
Donations	\$ 2,865
Total Contributions	<u>2,865</u>
Investment earnings:	
Interest	<u>7</u>
Net investment earnings	<u>7</u>
Total additions	2,872
DEDUCTIONS	
Scholarships	
Total deductions	<u> </u>
Change in net position	2,872
Net position—beginning of the year	9,273
Net position—end of the year	<u>\$ 12,145</u>

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Borough of Woodbine 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 Borough of Woodbine 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 Borough of Woodbine 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 2018 being carried over to December 31, 2018. The purpose of the district is to educate students in grades K-8. The Borough of Woodbine School District had an enrollment at June 30, 2018 of 221 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 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 are reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS (CONT'D):

The government-wide Statement of Changes in Net Position 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 Changes in Net Position 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. GASBS 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:

1. Governmental Funds:

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

- a. **General fund** 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.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS (CONT'D)

1. Governmental Funds (Cont'd):

- 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.
- d. Debt service** funds are used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Fund Balances – Governmental Funds

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

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

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

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

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

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

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted 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.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS (CONT'D)

2. Proprietary Funds:

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

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users 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 operates a food service fund to provide a child nutrition program for the students of the district, a school store to provide school supplies for students and teachers, and a latch-key program to provide before and after school care for students.

3. Fiduciary Funds:

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

Fund Balances – Fiduciary Funds

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

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. BASIS OF ACCOUNTING (CONT'D)

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.

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.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. FINANCIAL STATEMENT AMOUNTS (CONT'D)

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	\$	6,186
Supplies		656
	\$	<u>6,842</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 non-operating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2018 is \$4546.

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
Infrastructure Assets	50-65 years

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

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.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. FINANCIAL STATEMENT AMOUNTS (CONT'D)

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.

7. Compensated Absences:

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

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

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

8. Interfund Activity:

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate 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. Significant transfers approved by the Board of Education during the fiscal year were as follows:

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. FINANCIAL STATEMENT AMOUNTS (CONT'D)

9. Budgets/Budgetary Control (Cont'd)

Special Education-Instruction		
Resource Room/Resource Center		
Purchased Prof. Educational Services	\$	86,820
Undistributed Expenditures-Instruction		
Tuition to Other LEA's Within the State-Regular		(24,242)
Tuition to CSSD & Regional Day Schools		58,792
Tuition to Private Schools for the Disabled-Within State		(89,258)
Undistributed Expenditures-Other Support Services		
Speech, OT, PT and Related Services		
Purchased Prof. Educational Services		(15,166)
Undistributed Expenditures-Support Services - School Admin.		
Salaries of Principals/Assistant Principals		28,800
Undistributed Expenditures-Required Main. for School Facilities		
Cleaning, Repair, and Maintenance Services		39,965
General Supplies		15,425
Undistributed Expenditures-Operation and Main. of Plant Services		
Cleaning, Repair, and Maintenance Services		(18,731)
Undistributed Expenditures-Security		
Purchased Prof. and Tech. Services		22,660
Undistributed Expenditures-Student Transportation Services		
Contracted Services-(Btw. Home + School)-Joint Agrmnts.		19,626
Contracted Services-(Reg. Stud.)-ESC's & CTA's Joint Agrmnts.		73,756
Contracted Services-(Speical Ed. Stud.)-ESC's & CTA's		(108,173)
Unallocated Benefits		
Other Retirement Contributions-PERS		18,545
Required Maintenance for School Facilities		
Increase in Maintenance Reserve		128,073
Capital Outlay		
Equipment		
Instruction		30,000
Special Ed.-Instruction		51,000

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.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. FINANCIAL STATEMENT AMOUNTS (CONT'D)

10. Tuition Receivable

Tuition charges were established by the Board 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 an agreement with the Middle Township Board of Education with a negotiated amount up to the final cost as determined by State of New Jersey.

11. Tuition Payable

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

12. Use of Estimates

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

13. Allocation of Costs

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

14. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and Public Employees 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

New Accounting Standards:

The School District has adopted the following GASB statements:

- *GASB No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions:* The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. The requirements of this Statement will be effective for reporting periods beginning after June 15, 2017. The adoption of GASB 75 will impact the financial statements of the School District.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards (Cont'd):

- GASB No. 85 - *Omnibus 2017*: The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of Statement will be effective for reporting periods beginning after June 15, 2017. The adoption of GASB 85 is not expected to impact the financial statements of the School District.

- GASB No. 86 - *Certain Debt Extinguishment Issues*: The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of Statement will be effective for reporting periods beginning after June 15, 2017. The adoption of GASB 86 is not expected to impact the financial statements of the School District.

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

- GASB No. 83 - *Certain Asset Retirement Obligations*: This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of Statement will be effective for reporting periods beginning after June 15, 2018. Management is evaluating the potential impact of the adoption of GASB 83 on the School District's financial statements.

- GASB No. 84 - *Fiduciary Activities*: The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of Statement will be effective for reporting periods beginning after December 15, 2018. Management is evaluating the potential impact of the adoption of GASB 84 on the School District's financial statements.

- GASB No. 87 - *Leases*: The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards (Cont'd):

Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of Statement will be effective for reporting periods beginning after periods beginning after December 15, 2019. Management is evaluating the potential impact of the adoption of GASB 87 on the School District's financial statements.

- *GASB No. 88 – Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements:* The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management is evaluating the potential impact of the adoption of GASB 88 on the School District's financial statements.

- *GASB No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period:* The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Management is evaluating the potential impact of the adoption of GASB 89 on the School District's financial statements.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards (Cont'd):

- GASB Statement - No. 90 - *Majority Equity Interests*—an amendment of GASB Statements No. 14 and No. 61: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Management is evaluating the potential impact of the adoption of GASB 90 on the School District's financial statements.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. The District does not place a limit on the amount that may be invested in any one issuer. As of June 30, 2018, the District's bank balance of \$585,556 was insured or collateralized as follows:

Insured	\$ 250,000
Uninsured and collateralized under GUDPA by pledging financial institutions	335,556
	<hr/>
	\$ 585,556
	<hr/> <hr/>

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 3. INVESTMENTS

As of June 30, 2018, the District had no investments. However, if the District had investments they would be subject to following risks.

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. INTERFUND TRANSFERS AND BALANCES

Transfers between funds are used to (1) move investment income earned in the Capital Projects Fund that is required to be expended in the Debt Service Fund or General Fund; (2) repay expenses paid by another fund; (3) make a Board contribution to the Food Service Fund; and (4) transfer federal and state food subsidies received in the General Fund to the Food Service Fund.

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

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 76,015	\$ 2,565
Special Revenue Fund		62,674
Capital Projects Fund		13
Food Service	7183	
Latchkey Program		14,063
Payroll Agency		3,883
	<u>\$ 83,198</u>	<u>\$ 83,198</u>

Interfunds were created throughout the year due to short term borrowings to cover cash flow needs in the various funds.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets that are not Being Depreciated:				
Land	\$ 1	\$	\$	\$ 1
Total Capital Assets not Being Depreciated	1			1
Building and Building Improvements	9,188,557			9,188,557
Machinery and Equipment	158,544			158,544
Totals at Historical Cost	9,347,101			9,347,101
Less Accumulated Depreciation for :				
Building and Improvements	(3,570,841)	(231,338)		(3,802,179)
Equipment	(140,486)	(5,965)		(146,451)
Total Accumulated Depreciation	(3,711,327)	(237,303)		(3,948,630)
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	5,635,774	(237,303)		5,398,471
Government Activities Capital Assets, Net	\$ 5,635,775	\$ (237,303)	\$ -	\$ 5,398,472
	To A-1			To A-1
Business-type Activities - Equipment	\$ 194,511	\$	\$ -	\$ 194,511
Less Accumulated Depreciation	(78,034)	(12,459)		(90,493)
Business-type Activities Capital Assets, Net	\$ 116,477	\$ (12,459)	\$ -	\$ 104,018

Depreciation is charged to governmental functions as follows:

Regular Education	\$ 4,462
Special Education	
Other Instruction	294
Student & Instructional Related Services	68,800
General Administrative Services	1,899
School Administrative Services	1,816
Plant Operation and Maintenance	160,032
	<u>\$ 237,303</u>

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 6. LONG-TERM OBLIGATIONS

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

	Balance July 1, 2017	Issues or Additions	Payments or Expenditures	Balance June 30, 2018	Amounts Due Within One Year
State Loan	\$ 513,500	\$	\$ 71,500	\$ 442,000	\$ 71,500
Compensated Absences	106,136	4,760		110,896	
Serial Bonds	2,492,000		230,000	2,262,000	245,000
Net Pension Liability	964,606		371,460	593,146	
	<u>\$ 4,076,242</u>	<u>\$ 4,760</u>	<u>\$ 672,960</u>	<u>\$ 3,408,042</u>	<u>\$ 316,500</u>

Compensated absences will be liquidated in the General Fund, Serial Bonds will be liquidated in the Debt Service Fund and capital leases will be liquidated in the Food Service Fund.

Bonds Payable

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

At June 30, 2018, bonds payable consisted of the following issues:

\$3,682,000 School Bonds dated September 1, 2010, due in annual installments through March 1, 2026, bearing interest rates from 2.000% per annum to 3.625% per annum. The balance remaining as of June 30, 2018 is \$1,992,000.

Debt service requirements on serial bonds payable at June 30, 2018 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 245,000	\$ 73,631	\$ 318,631
2020	255,000	66,281	321,281
2021	260,000	58,632	318,632
2022	272,000	50,832	322,832
2023	295,000	42,331	337,331
2024	305,000	32,744	337,744
2025	310,000	22,450	332,450
2026	320,000	11,600	331,600
	<u>\$ 2,262,000</u>	<u>\$ 358,501</u>	<u>\$ 2,620,501</u>

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 7. SHORT-TERM DEBT

	Balance July 1, 2017	Issues or Additions	Payments or Expenditures	Balance June 30, 2018
Capital Project Anticipation Notes	\$ 561,991	\$ 561,991	\$ 561,991	\$ 561,991
State Aid Anticipation Note	162,913	442,000	162,913	442,000
	<u>\$ 724,904</u>	<u>\$1,003,991</u>	<u>\$ 724,904</u>	<u>\$ 1,003,991</u>

The District issued a Grant Anticipation Note in the Capital Projects Fund in the amount of \$561,991 on October 6, 2016, with an interest rate of 1.18% and maturing October 6, 2018.

On June 22, 2018 the District issued a State Aid Anticipation Note in the amount of \$162,913, bearing an interest rate of 3.50% per annum. The note matured on July 9, 2018 and was paid in full.

NOTE 8. PENSION PLANS

Description of Plans - All required employees of the School District are covered by either the Public Employees' Retirement System (PERS) or the Teachers' Pension and Annuity Fund (TPAF) 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. For additional information about PERS or TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

The following represents the membership tiers for PERS and TPAF:

Tier	Definition
1	Members who are enrolled prior to July 1, 2007.
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008.
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010.
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011.
5	Members who were eligible to enroll on or after June 28, 2011.

Public Employees' Retirement System

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

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

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd)

Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provides for employee contributions of 7.34% of employees' annual compensation through June 30, 2018. Employers are required to contribute at an actuarially determined rate in PERS. The current PERS rate is 13.37% of covered payroll. The District's contributions to PERS for the years ended June 30, 2018, and 2017, were \$24,787 and \$29,395 respectively, equal to the required contributions for each year. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

The total payroll for the year ended June 30, 2018 was \$1,944,367. Payroll covered by PERS was \$64,874 for fiscal year 2018. Contributions to the system for the year ended June 30, 2018 were as follows:

	<u>PERS</u>
Employees	\$ 4,762
District	<u>24,787</u>
Total	\$ <u>29,549</u>

The District is billed annually for its normal contribution plus any accrued liability. These contributions were equal to the required contributions for 2018, as follows:

<u>Public Employees Retirement System</u>					
<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by District</u>
<u>2018</u>	\$ <u>3,107</u>	\$ <u>19,347</u>	\$ <u>24,787</u>	\$ <u>N/A</u>	\$ <u>24,787</u>

Components of Net Pension Liability - At June 30, 2018, the District's proportionate share of the PERS net pension liability was \$593,146. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2016, to the measurement date of June 30, 2017. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2017. The District's proportion measured as of June 30, 2017 was 0.002548% which was a decrease of 0.00071% from its proportion measured as of June 30, 2016.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd)

Pension Expense and Deferred Outflows/Inflows of Resources - The District's 2018 PERS pension expense, with respect to GASB 68, was \$8,742. The District's 2018 deferred outflows of resources and deferred inflows of resources were from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 13,967	\$
Changes of assumptions	119,499	119,060
Net difference between projected and actual earnings on pension plan investments	4,039	
Changes in proportion	15,342	152,454
Contributions subsequent to the measurement date	24,787	
Total	\$ 177,634	\$ 271,514

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year</u>		<u>PERS</u>
2018	\$	(32,178)
2019		(8,931)
2020		(18,847)
2021		(52,563)
2022		(6,149)
Thereafter		
Total	\$	(118,668)

Additional Information - Collective Balances at June 30, 2018 and 2017 are as follows:

<u>Year</u>		<u>6/30/2018</u>		<u>6/30/2017</u>
Collective deferred outflows of resources	\$	177,634	\$	304,134
Collective deferred inflows of resources	\$	271,514	\$	36,811
Collective Net Pension Liability	\$	593,146	\$	964,606
District's Proportion		0.002548%		0.003257%

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd)

Actuarial Assumptions - The total pension liability for the June 30, 2017 measurement date 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 actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Measurement Date	June 30, 2017
Actuarial Valuation Date	July 1, 2016
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	1.65% - 4.15%
Thereafter	2.65% - 5.15%
Inflation	2.25%

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 the experience deviates, the larger the impact on future financial statements.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments 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. 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	PERS	
	Target Allocation	Long-Term Expected Real Rate of Return
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
US 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%
Client 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 markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%
Total	100.00%	

Discount Rate - The discount rate as of June 30, 2017 used to measure the total pension liability was 5.00% for PERS. 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 their 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 for PERS. 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.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating 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 were calculated using a discount rate that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current rate:

	1% Decrease (4.00%)	Current Discount (5.00%)	1% Increase (6.00%)
District's proportionate share of the net pension liability	\$ 735,838	\$ 593,146	\$ 474,266

Teachers' Pension and Annuity Fund

The TPAF 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 defined benefit pension 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.

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

Contributions - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.34% in State fiscal year 2018. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2017, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund (Cont'd)

The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2018 because of the 100% special funding situation with the State of New Jersey.

Trend Information for TPAF (Paid on-behalf of the District)

<u>Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC</u>	%	<u>Net Pension</u>
6/30/18	\$ 223,285	100	%	\$ N/A
6/30/17	300,320	100		N/A
6/30/16	300,320	100		N/A

During the fiscal year ended June 30, 2018, the State of New Jersey contributed \$223,285 to the TPAF for pension contributions, \$144,215 for post-retirement benefits on behalf of the School, and \$490 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$117,678 during the year ended June 30, 2018 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Components of Net Pension Liability - At June 30, 2018, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. 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 a fair value.

Pension Expense - For the year ended June 30, 2018, the District recognized pension expense of \$757,419 and revenue of \$757,419 for support provided by the State.

Actuarial Assumptions - The total pension liability for the June 30, 2017 measurement date 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 actuarial assumptions, applied to all periods in the measurement:

	TPAF
Measurement Date	June 30, 2017
Actuarial Valuation Date	July 1, 2016
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	Varies based
Thereafter	on experience
Inflation	2.25%

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund (Cont'd)

Long-Term Expected Rate of Return - 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	TPAF Target Allocation	Long-Term Expected Real Rate of Return
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
US 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%
Client 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 markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%
Total	100.00%	

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 Collective Net Pension Liability to Changes in the Discount Rate – As indicated above, TPAF has a special funding situation where the State pays 100% of the District's annual required contribution.

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14- 17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage. The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

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.

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(CONT'D)

Total OPEB Liability

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2017, was \$53,639,841,858. Of this amount, the total OPEB liability attributable to the School District was \$7,993,182. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.01490%. The total OPEB liability for the School District measured as of June 30, 2017 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2017 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. The total nonemployer OPEB liability as of June 30, 2016 was determined by an actuarial valuation as of June 30, 2016. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	TPAF/ABP	PERS
Inflation Rate	2.50%	2.50%
	Based on	Based on
Salary Increases:	Years of Service	Age
Through 2026	1.55% - 4.55%	2.15% - 4.15%
Thereafter	2.00% - 5.45%	3.15% - 5.15%

Preretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2014 Headcount- Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount- Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 – June 30, 2015, July 1, 2010 – June 30, 2013, and July 1, 2011 – June 30, 2014 for TPAF and PERS, respectively.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount rate

The discount rate for June 30, 2017 was 3.58%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2016 Measurement Date	\$ <u>8,661,952</u>
Changes for the year:	
Service cost	311,486
Interest cost	253,220
Changes of benefit terms	
Differences between expected and actual	
Changes in assumptions or other inputs	(1,055,154)
Member contributions	6,817
Gross benefit payments	<u>(185,139)</u>
Net changes	<u>(668,770)</u>
Balance as of June 30, 2017 Measurement Date	\$ <u><u>7,993,182</u></u>

Sensitivity of Total Nonemployer OPEB Liability to changes in the discount rate:

The following presents the total nonemployer OPEB liability as of June 30, 2017, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB 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:

	June 30, 2017		
	At 1.00% Decrease 2.58%	At Discount Rate 3.58%	At 1.00% Increase 4.58%
\$	63,674,362,200	53,639,841,858	45,680,364,953

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:

The following presents the total nonemployer OPEB liability as of June 30, 2017, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

June 30, 2017			
Healthcare Cost			
1.00% Decrease	Trend Rate	1.00% Increase	
\$ 44,113,584,560	53,639,841,858	66,290,599,457	

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

For the year ended June 30, 2018, the School District recognized OPEB expense of \$449,956. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$
Changes of assumptions		945,322
Net difference between projected and actual earnings on OPEB plan investments		
Changes in proportion		34,850
Contributions subsequent to the measurement date		
Total	\$	\$ 980,172

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Measurement Period Ending June 30,	OPEB
2018	\$ 99,090
2019	99,090
2020	99,090
2021	99,090
2022	99,090
Thereafter	350,780
Total	\$ 846,230

Special Funding Situation

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

NOTE 10. COMPENSATED ABSENCES

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 or the Latchkey Enterprise Fund.

NOTE 11. 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 permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning Siracusa Benefits Program Travelers

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12. 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. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

New Jersey Unemployment and Compensation Insurance – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Contributory Method”.

Worker’s Compensation Fund – The Board Currently maintains traditional insurance for its worker’s compensation coverage.

NOTE 13. 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 14. COMMITMENTS

The District has not adopted an encumbrance policy for the fiscal year end to consider significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund or Committed Fund Balance in the Capital Projects Fund. There were encumbrances in the amount of \$84,728 at June 30, 2018.

NOTE 15. 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 16. FUND BALANCES

General Fund – Of the \$50,526 General Fund Balance at June 30, 2018, \$109,190 is reserved for Excess surplus; \$128,073 is restricted for maintenance reserve, \$70,888 is reserved for Capital Reserve, \$84,728 is assigned for Encumbrances, \$95,078 is assigned as fund balance appropriated and included as anticipated revenue for the year ending June 30, 2019 and (\$437,431) is unreserved and undesignated.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 17. CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2018 is \$109,190, which is to be appropriated in the 2019-20 budget.

NOTE 18. DEFICIT FUND BALANCES

The District has a deficit fund balance of (\$60,290) in the Special Revenue Fund and \$0 in the Capital Projects Fund at 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 delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the General Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated Special Revenue Fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of (\$60,290) in the Special Revenue Fund is equal to the last two state aid payments. The General Fund unassigned deficit of (\$437,431) was more than the total of the last two state aid payments totaled \$248,563. It is important to note, however that there is a balance of \$442,000 in State Advanced Aid, which temporarily offsets this deficit.

NOTE 19. TAX ABATEMENT

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because NJSA 54:4-75 and NJSA 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 19. TAX ABATEMENT (CONT'D)

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at NJSA 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

NOTE 20. SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2018 through January 23, 2019, the date that the financial statements were issued for possible disclosure and recognition in the financial statements and no items have come to attention of the District that would require disclosure.

End of Notes to Financial Statements

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,735,875		\$ 1,735,875	\$ 1,735,875	
Rents	32,745		32,745	32,745	
Homeless Tuition					
Interest Earned				287	287
Unrestricted Miscellaneous Revenues	40,000		40,000	97,216	57,216
Total - Local Sources	1,808,620		1,808,620	1,866,123	57,503
State Sources:					
School Choice Aid	32,028		32,028	32,028	
Categorical Special Education Aid	124,339		124,339	124,339	
Equalization Aid	1,802,434		1,802,434	1,802,434	
Categorical Security Aid	85,575		85,575	85,575	
Adjustment Aid	726,518		726,518	726,518	
Categorical Transportation Aid	164,200		164,200	164,200	
PAARC Readiness Aid	2,260		2,260	2,260	
Per Pupil Growth Aid	2,260		2,260	2,260	
Professional Learning Community Aid	2,290		2,290	2,290	
New Jersey Advanced Aid				30,131	30,131
Lead Testing Reimbursement Aid				640	640
Non-Public Transportation				3,132	3,132
On behalf TPAF Pension Contrib. (non-budgeted)				223,285	223,285
On-behalf TPAF Post Retirement Medical Contrib. (non-budgeted)				144,215	144,215
On-behalf TPAF Long-Term Disability Contrib (non-budgeted)				490	490
Reimbursed TPAF Social Security Contrib. (non-budgeted)				117,678	117,678
Total - State Sources	2,941,904		2,941,904	3,461,475	519,571
Federal Sources:					
Medicaid				1,818	1,818
Total - Federal Sources				1,818	1,818
Total Revenues	4,750,524		4,750,524	5,329,416	578,892

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Inclusion	\$ 36,174		\$ 36,174	\$ 36,174	
Kindergarten	110,922		99,136	94,194	4,942
Grades 1-5	491,581		488,417	481,459	6,958
Grades 6-8	341,592		336,665	336,664	1
Regular Programs - Home Instruction:					
Salaries of Teachers	22,000		12,866	7,928	4,938
Purchased Professional Ed. Services	1,000	1,560	2,560		2,560
Regular Programs - Undistributed					
Purchased Professional Educational Services					
Other Purchased Services	29,750		27,716	27,716	
General Supplies	29,438	13,405	42,843	22,762	20,081
Total Regular Programs	1,062,457	(16,080)	1,046,377	1,006,897	39,480
Special Education - Instruction:					
Auditory Impairments					
General Supplies		2,164	2,164		2,164
Total Resource Room/Resource Center		2,164	2,164		2,164
Resource Room/Resource Center					
Salaries of Teachers	190,257	1,937	192,194	183,302	8,892
Purchased Professional Educational Services	111,500	86,820	198,320	198,320	
General Supplies	1,100	(690)	410	391	19
Total Resource Room/Resource Center	302,857	88,067	390,924	382,013	8,911
Total Special Education - Instruction	302,857	90,231	393,088	382,013	11,075

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Basic Skills/Remedial - Instruction					
Salaries of Teachers					
Total Basic Skills/Remedial - Instruction					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 23,004	\$ (12,316)	\$ 10,688	\$ 10,668	\$ 20
Total Bilingual Education - Instruction	23,004	(12,316)	10,688	10,668	20
School Sponsored Co-curricular Activities					
Salaries of Teachers	2,500		2,500	2,400	100
Supplies and Materials	500		500		500
Total School Sponsored Co-curricular Activities	3,000		3,000	2,400	600
Total Instruction	1,391,318	61,835	1,453,153	1,401,978	51,175
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	703,840	(24,242)	679,598	666,359	13,239
Tuition to Other LEAs Within the State - Special	201,811	(3,910)	197,901	194,522	3,379
Tuition to County Vocational Schools - Regular	127,584		127,584	127,584	
Tuition to County Vocational Schools - Special	60,690		60,690	60,690	
Tuition to CSSD & Regional Day Schools	287,838	58,792	346,630	336,438	10,192
Tuition to Private Schools for the Disabled - Within State	105,386	(89,258)	16,128	15,880	248
Tuition - State Facilities	68,417		68,417	68,417	
Total Undistributed Expenditures - Instruction	1,555,566	(58,618)	1,496,948	1,469,890	27,058

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Attendance and Social Work Services					
Salaries	\$ 19,168	\$ (1,797)	\$ 17,371	\$ 14,665	\$ 2,706
Purchased Professional and Technical Services	3,050	(2,883)	167		167
Total Undistributed Expenditures - Attendance and Social Work Services	22,218	(4,680)	17,538	14,665	2,873
Undistributed Expenditures - Health Services:					
Salaries	44,177	3,397	47,574	47,348	226
Purchased Professional and Technical Services	3,120		3,120	3,120	
Supplies and Materials	1,000	2,029	3,029	3,029	
Other Objects	110		110	110	
Total Undistributed Expenditures - Health Services	48,407	5,426	53,833	53,607	226
Undistributed Expenditures - Other Support Services - Speech, OT, PT and Related Services					
Purchased Professional Educational Services	115,000	(15,166)	99,834	95,173	4,661
Total Undistributed Expenditures - Other Support Services - Students - Related Services	115,000	(15,166)	99,834	95,173	4,661
Undistributed Expenditures - Other Support Services - Guidance					
Salaries of Other Professional Staff	10,924	1,162	12,086	11,748	338
Supplies and Materials	200		200	200	
Total Undistributed Expenditures - Other Support Services - Guidance	11,124	1,162	12,286	11,948	338

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Other Support Services - Child Study Team					
Salaries					
Purchased Professional-Educational Services	\$ 29,289	\$ (13,812)	\$ 15,477	\$ 11,467	\$ 4,010
Total Undistributed Expenditures - Other Support Services - Child Study Team	29,289	(13,812)	15,477	11,467	4,010
Undistributed Expenditures - Improvement of Instructional Services					
Salary of Supervisor of Instruction					
Other Purchase Services	4,500	(3,000)	1,500	304	1,196
Total Undist. Expend. - Improvement Of Instructional Services	4,500	(3,000)	1,500	304	1,196
Undistributed Expenditures - Educational Media Serv/Sch Library:					
Other Purchase Services	3,000		3,000		3,000
Supplies and Materials	4,000	(735)	3,265		3,265
Other Objects	1,000	735	1,735	1,735	
Total Undistributed Expenditures - Educational Media Services School Library	8,000		8,000	1,735	6,265
Undistributed Expenditures - Instructional Staff Training Services					
Other Salaries	2,654		2,654	1,695	959
Other Objects		3,000	3,000	2,633	367
Total Undistributed Expenditures - Instructional Staff Training Services	2,654	3,000	5,654	4,328	1,326

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Support Services - Gen. Administration					
Salaries	\$ 31,721	\$ 414	\$ 32,135	\$ 32,135	
Salaries - State Monitor	48,000	384	48,384	48,384	
NJDOE Loan Principal	71,500		71,500	71,500	
Legal Services	10,000		10,000	8,531	1,469
Audit Fees	21,900	(2,567)	19,333	16,200	3,133
Other Purchased Professional Services	5,000	9,148	14,148	13,914	234
Purchased Technical Services		7,416	7,416	7,416	
Communications/Telephone	10,000	6,000	16,000	12,610	3,390
BOE Other Purchased Services	3,500		3,500	3,082	418
Miscellaneous Purchased Services	9,450	250	9,700	9,095	605
General Supplies	3,000	205	3,205	3,117	88
Miscellaneous Expenditures	4,100	(250)	3,850	1,990	1,860
BOE Membership Dues and Fees	4,000		4,000	3,057	943
Total Undistributed Expenditures - Support Services - Gen. Admin.	222,171	21,000	243,171	231,031	12,140
Undistributed Expenditures - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals	84,966	28,800	113,766	113,766	
Salaries of Secretarial and Clerical Assistants	16,728	413	17,141	17,141	
Purchased Professional and Technical Services	1,000	(14)	986	986	
Other Objects	500	(399)	101		101
Total Undistributed Expenditures - Support Serv. - School Admin.	103,194	28,800	131,994	131,893	101

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Central Services					
Salaries	\$ 17,616	\$	\$ 17,616	17,022	\$ 594
Purchased Professional Services	83,232		83,232	83,232	
Purchased Technical Services	10,000	2,900	12,900	12,622	278
Supplies and Materials	2,500	(571)	1,929	765	1,164
Interest on BANS	6,061	571	6,632	6,632	
Miscellaneous Expenditures	500		500	200	300
Total Undistributed Expenditures - Central Services	119,909	2,900	122,809	120,473	2,336
Undistributed Expenditures - Admin. Info. Technology					
Purchased Technical Services	2,000		2,000	1,450	550
Other Purchased Services	31,000		31,000	28,720	2,280
Supplies and Materials	500		500	160	340
Total Undistributed Expenditures - Admin. Info Technology	33,500		33,500	30,330	3,170
Undistributed Expenditures - Required Maint for School Facilities					
Cleaning, Repair, and Maintenance Services	39,347	39,965	79,312	68,888	10,424
General Supplies	1,000	15,425	16,425	6,424	10,001
Total Undistributed Expenditures - Required Maint for School Facilities	40,347	55,390	95,737	75,312	20,425

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Operation and Maintenance of Plant Services:					
Purchased Professional and Technical Services	\$	\$ 1,268	\$ 1,268	1,267	\$ 1
Cleaning, Repair, and Maintenance Services	120,719	(18,731)	101,988	101,988	
Other Purchased Property Services		12,363	12,363	12,315	48
Insurance	34,000	(2,827)	31,173	31,146	27
Miscellaneous Purchased Services	5,000	(4,666)	334		334
General Supplies	15,000	(7,084)	7,916	7,908	8
Energy (Natural Gas)	22,500	8,176	30,676	30,676	
Energy (Electricity)	33,000	1,916	34,916	34,916	
Other Objects	500		500		500
Interest - Energy Savings Improvement Program Bonds	820		820		820
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	231,539	(9,585)	221,954	220,216	1,738
Undistributed Expenditures - Care & Upkeep of Grounds:					
Cleaning, Repair, and Maintenance Services	3,000	1,320	4,320	4,320	
General Supplies	2,500	(1,556)	944	188	756
Total Undistributed Expenditures - Care & Upkeep of Grounds	5,500	(236)	5,264	4,508	756
Undistributed Expenditures - Security:					
Purchased Professional and Technical Services		22,660	22,660	22,619	41
General Supplies		12,346	12,346	2,346	10,000
Total Undistributed Expenditures - Security		35,006	35,006	24,965	10,041
Total Operation and Maintenance of Plant Services	277,386	80,575	357,961	325,001	32,960
Undistributed Expenditures - Student Transportation Services:					
Sal. For Pupil Trans (Bet Home & Sch) - Reg.	7,084	177	7,261	7,261	
Management Fee - ESC & CTSA Trans. Program	5,409	368	5,777	2,724	3,053
Contracted Services - Aid in Lieu of Payments-Non-pub Sch	3,749	(1,361)	2,388	2,000	388
Contracted Services - (Other than Betw Home and Sch) - Vendors	15,264	(4,024)	11,240	10,090	1,150
Contracted Services - (Between Home and School) - Joint Agrmnts	119,955	19,626	139,581	102,496	37,085
Contracted Services - (Special Ed. Students) - Joint Agrmnts	46,722	(11,000)	35,722	35,641	81
Contracted Services - (Reg. Stud) - ESCs & CTAs Joint Agrmnts.		73,756	73,756	54,477	19,279
Contracted Services - (Special Ed Students) - ESCs and CTAs	108,173	(108,173)			
Total Undistributed Expenditures - Student Transportation Serv.	306,356	(30,631)	275,725	214,689	61,036

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Unallocated Benefits:					
Social Security Contributions	\$ 24,000	\$	\$ 24,000	\$ 21,991	\$ 2,009
Other Retirement Contributions - PERS	6,900	18,545	25,445	25,444	1
Unemployment Compensation	17,500		17,500	7,703	9,797
Workmen's Compensation	30,500		30,500	24,104	6,396
Health Benefits	420,477		366,532	364,013	2,519
Tuition Reimbursement	8,400		7,135	7,135	
Other Employee Benefits	5,900	4,116	10,016	10,015	1
Total Unallocated Benefits	513,677	(32,549)	481,128	460,405	20,723
On-behalf TPAF Pension Contributions (non-budgeted)				223,285	(223,285)
On-behalf TPAF Post Retirement Contrib (non-budgeted)				144,215	(144,215)
On-behalf TPAF Long-Term Disability Contrib (non-budgeted)				490	(490)
Reimbursed TPAF Social Security Contributions (non-budgeted)				117,678	(117,678)
Total On-behalf Contributions				485,668	(485,668)
Required Maintenance for School Facilities:					
Increase in Maintenance Reserve		128,073	128,073		128,073
Total Undistributed Expenditures	3,372,951	112,480	3,485,431	3,662,607	(177,176)
Total Current Expense	4,764,269	174,315	4,938,584	5,064,585	(126,001)
Capital Outlay:					
Equipment:					
Instruction		30,000	30,000		30,000
Special Education - Instruction:					
Required maintenance for School Facilities		51,000	51,000		51,000
Total Equipment		81,000	81,000		81,000
Facilities Acquisition and Construction Services:					
Assessment for Debt Service for SDA Funding	16,386		16,386	16,386	
Total Facilities Acquisition and Construction Services	16,386		16,386	16,386	
Increase in Capital Reserve		70,888	70,888		70,888
Total Capital Outlay	16,386	151,888	168,274	16,386	151,888
Total Expenditures	4,780,655	326,203	5,106,858	5,080,971	25,887

BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (30,131)	\$ (326,203)	\$ (356,334)	\$ 248,445	\$ 604,779
Other Financing Sources/(Uses)					
Operating transfers out:					
Interest Earned in Capital Projects Fund				13	13
Transfer to Charter Schools		(10,555)	(10,555)	(10,555)	
Transfer of Capital Outlay to Capital Projects					
Total Other Financing Sources/(Uses)		(10,555)	(10,555)	(10,542)	13
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(30,131)	(336,758)	(366,889)	237,903	604,792
Fund Balances, July 1	503,186		503,186	503,186	
Fund Balances, June 30	\$ 473,055	\$ (336,758)	\$ 136,297	\$ 741,089	\$ 604,792

Restricted:

Excess Surplus	\$ 109,190
Maintenance Reserve	128,073
Capital Reserve	70,888

Assigned Fund Balance:

Reserve for Encumbrances	84,728
Designated for Subsequent Year's Expenditures	95,078
Unassigned Fund Balance	253,132

741,089

Reconciliation to Governmental Funds Statements (GAAP):

Last State Aid Payment Not Recognized on GAAP Basis	(248,563)
State Advanced Aid Not Recognized on GAAP Basis	(442,000)

\$ 50,526

**BOROUGH OF WOODBINE SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$	\$ 14,327	\$ 14,327	\$ 13,803	\$ (524)
Total - Local Sources		14,327	14,327	13,803	(524)
State Sources:					
Preschool Education Aid	661,353		661,353	656,953	(4,400)
Total - State Sources	661,353		661,353	656,953	(4,400)
Federal Sources:					
Title I	158,037	44,426	202,463	183,479	(18,984)
Title II		17,584	17,584	17,584	
I.D.E.A., Part B	76,801	17,822	94,623	94,623	
Total - Federal Sources	234,838	79,832	314,670	295,686	(18,984)
Total Revenues	896,191	94,159	990,350	966,442	(23,908)
EXPENDITURES:					
Instruction					
Salaries of teachers	422,591	(77,040)	345,551	343,925	1,626
Other purchased services - Pre K	97,016	7,370	104,386	102,041	2,345
Other purchased services	5,000	1,683	6,683	6,683	
General Supplies	12,000	31,518	43,518	36,947	6,571
Total instruction	536,607	(36,469)	500,138	489,596	10,542
EXPENDITURES (CONT'D):					
Support Services					
Salaries of program directors					
Salaries of Teachers		48,600	48,600	46,994	1,606
Salaries supervisors of instruction	17,037		17,037	16,954	83
Salaries of other professional staff	81,147	344	81,491	81,094	397
Personal services- employee benefits	102,512	39,759	142,271	132,842	9,429
Purchased professional technical services		17,584	17,584	17,584	
Purchased professional educational services	96,801	22,344	119,145	116,465	2,680
Other Purchased professional educational services		21,403	21,403	21,403	
Purchased professional services	3,000	(2,729)	271		271
Cleaning, Repair and Maintenance		1,200	1,200	1,200	
Rentals	30,271	2,474	32,745	32,745	
Other purchased services		50	50	44	6
Contracted Field Trip Transportation	6,000	(5,383)	617	617	
Travel	1,000	(618)	382		382
Misc. Purchased Services		1,526	1,526	1,509	17
Supplies and materials	5,346	544	5,890	7,395	(1,505)
Total support services	343,114	147,098	490,212	476,846	13,366
Facilities acquisition and construction services:					
Instructional Equipment	16,470	(16,470)			
Total facilities acquisition and construction services	16,470	(16,470)			
Transfers to Charter Schools					
Total expenditures	896,191	94,159	990,350	966,442	23,908
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$	\$	\$	\$	\$

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
PART II

**BOROUGH OF WOODBINE SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2018**

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

	General Fund	Special Revenue
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 5,329,416	\$ 966,442
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		
Prior year		
Current year		
State Aid Advance Loan recognized for budget purposes, not recognized for GAAP purposes		
State Aid Advance Loan payment recognized for budget purposes, not recognized for GAAP purposes	71,500	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	259,508	66,319
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(248,563)	(60,290)
	<u>5,411,861</u>	<u>972,471</u>
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds		
	<u>5,411,861</u>	<u>972,471</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	5,080,971	966,442
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Prior year		
Current year		
	<u> </u>	<u> </u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds		
	<u>\$ 5,080,971</u>	<u>\$ 966,442</u>

REQUIRED SUPPLEMENTARY INFORMATION
PART III

BOROUGH OF WOODBINE SCHOOL DISTRICT
Schedule of Required Supplementary Information
Schedule of the District's Proportionate Share
of the Net Pension Liability
Public Employee's Retirement System

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the net pension liability (asset)	0.002548%	0.003257%	0.003187%	0.003117%	0.003477%
District's proportionate of the net pension liability (asset)	\$ 593,146	\$ 964,606	\$ 715,427	\$ 583,517	\$ 664,562
District's covered payroll	\$ 64,874	\$ 35,420	\$ 173,087	\$ 217,084	\$ 165,406
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	914.30%	2723.34%	413.33%	268.80%	401.78%
Plan fiduciary net position as a percentage of the total pension liability	48.10%	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 show information for a 10 year period. However, information is only currently available for five years. Additional years will be presented as they become available.

BOROUGH OF WOODBINE SCHOOL DISTRICT
Schedule of District Contributions
Public Employee Retirement System

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 24,787	\$ 29,395	\$ 27,400	\$ 25,693	\$ 26,200
Contributions in relation to the contractually required contribution	<u>(24,787)</u>	<u>(29,395)</u>	<u>(27,400)</u>	<u>(25,693)</u>	<u>(26,200)</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered-employee payroll	\$ 64,874	\$ 35,420	\$ 173,087	\$ 217,084	\$ 165,406
Contributions as a percentage of covered-employee payroll	38.21%	82.99%	15.83%	11.84%	15.84%

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

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

BOROUGH OF WOODBINE SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the net pension liability (asset)	0.016216%	0.017122%	0.017475%	0.153156%	0.017065%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 10,933,529	\$ 13,469,413	\$ 11,044,917	\$ 8,185,698	\$ 8,624,364
District's covered payroll	\$ 1,601,878	\$ 1,542,086	\$ 1,501,844	\$ 1,694,598	\$ 1,673,180
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	682.54%	873.45%	735.42%	483.05%	515.45%
Plan fiduciary net position as a percentage of the total pension liability	25.41%	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 show information for a 10 year period. However, information is only currently available for five years. Additional years will be presented as they become available.

**BOROUGH OF WOODBINE SCHOOL DISTRICT
Schedule of District Contributions
Teachers' Pension and Annuity Fund**

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

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

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
PART III

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART III
Pension Schedules
For the Fiscal Year Ended June 30, 2017

Teachers' Pension and Annuity Fund (TPAF)

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

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

Public Employees' Retirement System (PERS)

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

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

BOROUGH OF WOODBINE SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of Changes in the Total OPEB Liability and Related Ratios
State Health Benefit Local Education Retired Employees Plan
Last Ten Fiscal Years

	2017
Total OPEB Liability	
Service cost	\$ 311,486
Interest	253,220
Changes of benefit terms	
Differences between expected and actual experience	
Changes of assumptions or other inputs	(1,055,154)
Member contributions	6,817
Benefit payments	(185,139)
Net change in total OPEB liability	(668,770)
Total OPEB liability - beginning	8,661,952
Total OPEB liability - ending	\$ 7,993,182
Covered-employee payroll	\$ 1,666,752
Total OPEB liability as a percentage of covered-employee payroll	479.57%

Notes to Schedule:

Changes of benefit terms: None

Changes of assumptions: The decrease in the liability from June 30, 2016 to June 30, 2017 is due to the increase in the assumed discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017.

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

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.

**BOROUGH OF WOODBINE SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED June 30, 2018**

	Preschool Education Aid	Total State Funds	Title I Part A	Title II Part A	IDEA B Basic	IDEA B Preschool	Total Federal Funds	Sam Azeez Grant	Garden Grant	Safety Grant	Total All Other Funds	Totals
REVENUES:												
State Sources	\$ 656,953	\$ 656,953										\$ 656,953
Federal Sources			\$ 183,479	\$ 17,584	\$ 93,669	\$ 954	\$ 295,686					\$ 295,686
Local Sources								\$ 10,215	\$ 976	\$ 2,612	\$ 13,803	\$ 13,803
Total revenues	656,953	656,953	183,479	17,584	93,669	954	295,686	10,215	976	2,612	13,803	966,442
EXPENDITURES:												
Instruction:												
Salaries of teachers	290,991	290,991	52,934				52,934					343,925
Other purchased services - Pre K	102,041	102,041										102,041
Other purchased services	5,225	5,225	1,458				1,458					6,683
Supplies and materials	9,375	9,375	14,745				14,745	10,215		2,612	12,827	36,947
Total instruction	407,632	407,632	69,137				69,137	10,215		2,612	12,827	489,596
Support services:												
Salaries of Teachers			46,994				46,994					46,994
Salaries supervisors of instruction	16,954	16,954										16,954
Salaries of other professional staff	81,094	81,094										81,094
Personal services- employee benefits	89,131	89,131	43,711				43,711					132,842
Purchased professional and technical services				17,584			17,584					17,584
Purchased professional educational service			21,842		93,669	954	116,465					116,465
Other Purchased professional educational service	21,403	21,403										21,403
Cleaning, Repair and Maintenance	1,200	1,200										1,200
Rentals	32,745	32,745										32,745
Other purchased services			44				44					44
Contracted Field Trip Transportation	617	617										617
Misc. Purchased Services	1,509	1,509										1,509
Supplies and materials	4,668	4,668	1,751				1,751		976		976	7,395
Total support services	249,321	249,321	114,342	17,584	93,669	954	226,549		976		976	476,846
Facilities Acquisition and Construction:												
Non-Instructional Equipment												
Total expenditures	\$ 656,953	\$ 656,953	\$ 183,479	\$ 17,584	\$ 93,669	\$ 954	\$ 295,686	\$ 10,215	\$ 976	\$ 2,612	\$ 13,803	\$ 966,442

BOROUGH OF WOODBINE SCHOOL DISTRICT
Special Revenue Fund
Statement of Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 292,301	\$ 290,991	\$ 1,310
Other Purchased Services - Pre-K	102,041	102,041	
Other Purchased Services	5,225	5,225	
Supplies and materials	10,349	9,375	974
Total instruction	<u>409,916</u>	<u>407,632</u>	<u>2,284</u>
Support services:			
Salaries of Supervisors of Instruction	17,037	16,954	83
Salaries of Other Professional Staff	81,491	81,094	397
Personal Services - Employee Benefits	90,097	89,131	966
Purchased Professional Educational Services	21,403	21,403	
Purchased Professional Services	271		271
Cleaning, Repair and Maintenance	1,200	1,200	
Rental	32,745	32,745	
Contracted Field Trip Transportation	617	617	
Travel	382		382
Misc. Purchased Services	1,526	1,509	17
Supplies and materials	4,668	4,668	
Total support services	<u>251,437</u>	<u>249,321</u>	<u>2,116</u>
Facilities Acquisition and Construction: Non-Instructional Equipment			
Total expenditures	<u>\$ 661,353</u>	<u>\$ 656,953</u>	<u>\$ 4,400</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2017-18 Preschool Education Aid Allocation	\$ 602,900
Add: Actual ECPA/PEA Carryover (June 30, 2017)	78,654
Prior Year Expenditure Adjustment	1,167
Add: Budgeted Transfer from the General Fund 2017-2018	36,174
	<u>718,895</u>
Total Preschool Education Aid Funds Available for 2017-2018 Budget	718,895
Less: 2017-2018 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	(661,353)
	<u>57,542</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2018	57,542
Add: June 30, 2018 Unexpended Preschool Education Aid	4,400
	<u>61,942</u>
2017-2018 Carryover - Preschool Education Aid Programs	\$ 61,942
	<u>61,942</u>
2017-18 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2018-2019	\$ 56,375
	<u>56,375</u>

Note: Since the 2017-18 Actual Carryover is more than the amount budgeted in 2018-19, the District should consider revising the 2018-19 Budget or appropriating this amount in the 2019-20 School Year Preschool Education Program Budget by amendment. \$ 5,567

CAPITAL PROJECTS FUND DETAIL STATEMENT

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.

BOROUGH OF WOODBINE SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Project Expenditures
For the Fiscal Year Ended June 30, 2018

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Transfer From General Fund</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2018</u>
				<u>Prior Years</u>	<u>Current Year</u>	
Various Improvements & Renovations Including Solar Panels	12/31/09	\$ 3,682,000	\$	\$ 3,680,211	\$	\$ 1,789
Building Upgrades and Boiler Project Transfer from General Fund	12/31/09 6/30/17	925,693	40,996 20,000	986,689		
		<u>\$ 4,607,693</u>	<u>\$ 60,996</u>	<u>\$ 4,666,900</u>	<u>\$</u>	<u>\$ 1,789</u>

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

Revenues and Other Financing Sources	
State Sources	
School Construction Corporation Grant	
Federal Sources	
Small Cities Public Facilities Grant	
Borough Portion	
Miscellaneous - Interest	\$ 13
	<hr/>
Total revenue	13
	<hr/>
Expenditures and Other Financing Uses	
Purchased professional and technical services	
Land and improvements	
Construction Services	
Legal Services	
Other Objects	
	<hr/>
Total expenditures	
	<hr/>
Deficiency of revenues over expenditures	\$ 13
Other Financing Sources/(Uses)	
Interest Earned Transfer to General Fund	(13)
Fund balance - beginning	1,789
	<hr/>
Fund balance - ending	\$ 1,789
	<hr/> <hr/>

BOROUGH OF WOODBINE SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Various Improvements & Renovations Including Solar Panels
From Inception and for the 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				
Bond proceeds and transfers				
Borough of Woodbine	\$ 3,682,000	\$	\$ 3,682,000	\$ 3,682,000
Total revenue	<u>3,682,000</u>		<u>3,682,000</u>	<u>3,682,000</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	233,056		233,056	284,487
Construction services	3,325,730		3,325,730	3,325,730
Legal Services	21,588		21,588	22,921
Other Objects	48,862		48,862	48,862
Transfer to Debt Service	50,975		50,975	
Total expenditures	<u>3,680,211</u>		<u>3,680,211</u>	<u>3,682,000</u>
Excess of revenues over expenditures	<u>\$ 1,789</u>	<u>\$</u>	<u>\$ 1,789</u>	<u>\$</u>

Additional project information:

Project number	N/A
Grant date	N/A
Bond authorization date	40,155
Bond authorized	3,682,000
Bonds issued	3,682,000
Original authorized cost	3,682,000
Additional authorized cost	
Revised authorized cost	3,682,000
Percentage increase over original cost	
Percentage completion	100%
Original target completion date	6/30/2014
Revised target completion date	6/30/2014

BOROUGH OF WOODBINE SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Building Upgrades and Boiler Project
From Inception and for the 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				
School Construction Corporation Grant	\$ 561,991	\$	\$ 561,991	\$ 561,991
Federal sources				
Small Cities Public Facilities Grant	335,911		335,911	335,911
Other	15,207		15,207	15,207
Transfer from General Fund	40,996		40,996	40,996
Miscellaneous	12,584		12,584	12,583
Total revenue	966,689		966,689	966,688
Expenditures and Other Financing Uses				
Purchased professional and technical services	51,210		51,210	51,210
Construction services	858,788		858,788	
Legal Services	37,294		37,294	37,294
Other Objects	39,397		39,397	39,397
Total expenditures	986,689		986,689	127,901
Excess of revenues over expenditures	\$ (20,000)	\$	\$ (20,000)	\$

Additional project information:

Project number	5840-050-09-3000
Grant date	
Bond authorization date	N/A
Bond authorized	N/A
Bonds issued	N/A
Original authorized cost	3,057,476
Additional authorized cost	
Revised authorized cost	3,057,476
Percentage increase over original cost	
Percentage completion	100%
Original target completion date	6/30/2014
Revised target completion date	6/30/2014

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the District’s board is that the costs of providing goods or services be financed through user charges.

Food Services Fund – This fund provides for the operation of food services for the schools within the school district.

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5
AND B-6.**

BOROUGH OF WOODBINE SCHOOL DISTRICT
Non-major Enterprise Funds
Combining Statement of Net Position
June 30, 2018

	<u>Food Service</u>	<u>Latchkey</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 5,554	\$ 17,478	\$ 23,032
Accounts Receivable:			
State	92		92
Federal	7,263		7,263
Other		184	184
Interfunds Receivable	7,183		7,183
Inventories	6,842		6,842
	<hr/>	<hr/>	<hr/>
Total Current Assets	26,934	17,662	44,596
	<hr/>	<hr/>	<hr/>
Fixed Assets:			
Equipment	194,511		194,511
Accumulated depreciation	(90,493)		(90,493)
	<hr/>	<hr/>	<hr/>
Total fixed assets	104,018		104,018
	<hr/>	<hr/>	<hr/>
Total assets	\$ 130,952	\$ 17,662	\$ 148,614
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND NET POSITION			
Current liabilities:			
Unearned Income	\$ 4,628	\$ 42	\$ 4,670
Interfund payable		14,063	14,063
Accounts Payable	2,780		2,780
	<hr/>	<hr/>	<hr/>
Total current liabilities	7,408	14,105	21,513
	<hr/>	<hr/>	<hr/>
Total Liabilities	\$ 7,408	\$ 14,105	\$ 21,513
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net Position:			
Invested in Capital - net of related debt	\$ 104,018	\$	\$ 104,018
Unrestricted	19,526	3,557	23,083
	<hr/>	<hr/>	<hr/>
Total Net Position	123,544	3,557	127,101
	<hr/>	<hr/>	<hr/>
Total liabilities and net position	\$ 130,952	\$ 17,662	\$ 148,614
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BOROUGH OF WOODBINE SCHOOL DISTRICT
Non-major Enterprise Funds
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year ended June 30, 2018

	<u>Food Service</u>	<u>Latchkey</u>	<u>Total</u>
OPERATING REVENUES:			
Local Sources:			
Daily Sales - Non-Reimbursable	\$ 3,071	\$	\$ 3,071
Latchkey Program Revenue		18,943	18,943
Miscellaneous (Non Reimbursable)	7,183		7,183
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	10,254	18,943	29,197
OPERATING EXPENSES:			
Salaries	50,660	13,154	63,814
Employee Benefits	9,124	1,006	10,130
Supplies & Materials	6,031		6,031
Direct Expenses	9,074	510	9,584
Management Fee	14,743		14,743
Cost of Sales - Reimbursable Programs	77,697		77,697
Cost of Sales - Non Reimbursable Programs	3,120		3,120
Depreciation	12,459		12,459
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	182,908	14,670	197,578
Operating (loss)	<hr/> (172,654)	<hr/> 4,273	<hr/> (168,381)
Nonoperating Revenues:			
Local Sources			
Local Grant Program			
State Sources			
State School Lunch Program	1,742		1,742
Federal Sources			
National School Lunch Program	89,873		89,873
National School Breakfast Program	49,177		49,177
School Snack Program	3,045		3,045
Food Distribution Program	14,516		14,516
Interest	8	6	14
	<hr/>	<hr/>	<hr/>
Total Nonoperating Revenues	158,361	6	158,367
Net (loss)	<hr/> (14,293)	<hr/> 4,279	<hr/> (10,014)
Other Financing Sources/(Uses)			
Total Net Position (Deficit)—Beginning	<hr/> 137,837	<hr/> (722)	<hr/> 137,115
Total Net Position —Ending	<hr/> <u>\$ 123,544</u>	<hr/> <u>\$ 3,557</u>	<hr/> <u>\$ 127,101</u>

BOROUGH OF WOODBINE SCHOOL DISTRICT
Combining Statement of Cash Flows
Non-major Enterprise Funds
For the Fiscal Year ended June 30, 2018

	Food Service	Latchkey	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 10,254	\$ 18,943	\$ 29,197
Payments to Employers	(59,784)	(13,974)	(73,758)
Payments to Suppliers	(97,330)	(510)	(97,840)
	(146,860)	4,459	(142,401)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Local, State and Federal Reimbursements	143,837		143,837
	143,837		143,837
Cash Flows from Investing Activities:			
Interest	8	6	14
	8	6	14
Net Cash Provided by Investing Activities	8	6	14
Net Increase/(Decrease) in Cash and Cash Equivalents	(3,015)	4,465	1,450
Cash and Cash Equivalents, July 1	8,569	13,013	21,582
Cash and Cash Equivalents, June 30	\$ 5,554	\$ 17,478	\$ 23,032
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating Income (Loss)	\$ (172,654)	\$ 4,273	\$ (168,381)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities			
Depreciation	12,459		12,459
Federal Commodities	14,516		14,516
Change in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	25,440	161	25,601
(Increase)/Decrease in Interfund Receivable	(7,183)		(7,183)
(Increase)/Decrease in Inventory	(756)		(756)
Increase/(Decrease) in Interfund Payable			
Increase/(Decrease) in Accounts Payable	(19,018)		(19,018)
Increase/(Decrease) in Unearned Revenue	336	25	361
	25,794	186	25,980
Total Adjustments	25,794	186	25,980
Net cash provided by/(used for) operating activities	\$ (146,860)	\$ 4,459	\$ (142,401)

FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

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

BOROUGH OF WOODBINE SCHOOL DISTRICT
Fiduciary Fund
Combining Statement of Fiduciary Net Assets
June 30, 2018

	Expendable Trust		Agency	
	Scholarship	Student Activity	Payroll	Total
ASSETS:				
Cash and cash equivalents	\$ 12,145	\$ 2,535	\$ 38,023	\$ 52,703
Total Assets	<u>\$ 12,145</u>	<u>\$ 2,535</u>	<u>\$ 38,023</u>	<u>\$ 52,703</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Payroll Deductions & Withholdings	\$	\$	\$ 18,733	\$ 18,733
Net Payroll			15,408	15,408
Interfund payable			3,883	3,883
Due to student groups		2,535		2,535
Total Liabilities		<u>2,535</u>	<u>38,023</u>	<u>40,558</u>
Equity:				
Net Assets				
Reserved - Expendable Trust	12,145			12,145
Total fund balances	<u>12,145</u>			<u>12,145</u>
Total liabilities and fund balances	<u>\$ 12,145</u>	<u>\$ 2,535</u>	<u>\$ 38,023</u>	<u>\$ 52,703</u>

BOROUGH OF WOODBINE SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Changes in Assets and Liabilities
for the Fiscal Year ended June 30, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
ASSETS:				
Cash and cash equivalents	\$ 2,338	\$ 728	\$ 531	\$ 2,535
Total assets	<u>2,338</u>	<u>728</u>	<u>531</u>	<u>2,535</u>
LIABILITIES:				
Due to Student groups	2,338	728	531	2,535
Total liabilities	<u>\$ 2,338</u>	<u>\$ 728</u>	<u>\$ 531</u>	<u>\$ 2,535</u>

**BOROUGH OF WOODBINE SCHOOL DISTRICT
Scholarship Expendable Trust Fund
Statement of Revenues, Expenditures
and Changes in Fund Balances
for the Fiscal Year ended June 30, 2018**

	<u>2018</u>
OPERATING REVENUES:	
Local sources:	
Interest	\$ 7
Donations	2,865
	<u> </u>
Total operating revenues	<u>2,872</u>
OPERATING EXPENSES:	
Scholarship payments	
	<u> </u>
Total operating expenses	
	<u> </u>
Net Income	2,872
Fund balances, July 1	9,273
	<u> </u>
Fund balances, June 30	<u>\$ 12,145</u>

BOROUGH OF WOODBINE SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year ended June 30, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
ASSETS:				
Cash and Cash Equivalents	\$ 4,954	\$ 2,056,650	\$ 2,023,581	\$ 38,023
Total assets	<u>\$ 4,954</u>	<u>\$ 2,056,650</u>	<u>\$ 2,023,581</u>	<u>\$ 38,023</u>
LIABILITIES:				
Payroll Deductions and Withholdings	\$ 1,071	\$ 895,726	\$ 878,064	\$ 18,733
Net Payroll		1,160,925	1,145,517	15,408
Interfund Payable	3,883			3,883
Total liabilities	<u>\$ 4,954</u>	<u>\$ 2,056,650</u>	<u>\$ 2,023,581</u>	<u>\$ 38,023</u>

LONG-TERM DEBT SCHEDULES

The Long-Term Debt Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

BOROUGH OF WOODBINE SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
June 30, 2018

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2017	Issued	Retired	Balance June 30, 2018
			Date	Amount					
Renovations Project	8/12/2010	\$ 3,682,000	3/1/19	\$ 245,000	3.000%				
			3/1/20	255,000	3.000%				
			3/1/21	260,000	3.000%				
			3/1/22	272,000	3.125%				
			3/1/23	295,000	3.250%				
			3/1/24	305,000	3.375%				
			3/1/25	310,000	3.500%				
			3/1/26	320,000	3.625%				
					\$ 2,492,000	\$	\$ 230,000	\$ 2,262,000	

**Borough of Woodbine School District
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2018**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Tax Levy	\$ 156,737	\$	\$ 156,737	\$ 156,737	\$
Miscellaneous					
	<u>156,737</u>	<u></u>	<u>156,737</u>	<u>156,737</u>	<u></u>
State Sources:					
Debt Service Aid Type II	153,795		153,795	153,795	
Total - State Sources	<u>153,795</u>	<u></u>	<u>153,795</u>	<u>153,795</u>	<u></u>
Total Revenues	<u>310,532</u>	<u></u>	<u>310,532</u>	<u>310,532</u>	<u></u>
EXPENDITURES:					
Regular Debt Service:					
Interest	80,532		80,532	80,532	
Redemption of Principal	230,000		230,000	230,000	
Total Regular Debt Service	<u>310,532</u>	<u></u>	<u>310,532</u>	<u>310,532</u>	<u></u>
Total expenditures	<u>310,532</u>	<u></u>	<u>310,532</u>	<u>310,532</u>	<u></u>
Excess (Deficiency) of Revenues Over (Under) Expenditures					
Fund Balance, July 1					
Fund Balance, June 30	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

STATISTICAL SECTION

BOROUGH OF WOODBINE BOARD OF EDUCATION
Net Position by Component,
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Invested in capital assets, net of related debt	\$ 3,548,276	\$ 3,711,460	\$ 3,172,299	\$ 3,803,648	\$ 3,295,230	\$ 3,219,856	\$ 3,154,582	\$ 3,161,949	\$ 3,143,775	\$ 3,136,472
Restricted (Deficit)	105,980	66,335	742,490	231,298	(51,159)	(57,758)	(57,757)	(18,211)	129,862	309,940
Unrestricted (Deficit)	(378,572)	(470,221)	(402,339)	(689,541)	(1,192,332)	(1,347,023)	(1,652,827)	(1,418,692)	(1,294,477)	(1,140,381)
Total governmental activities net position	3,275,684	3,307,573	3,512,449	3,345,405	2,051,739	1,815,075	1,443,997	1,725,046	1,979,160	2,306,031
Business-type activities										
Invested in capital assets, net of related debt (Deficit)	(496)	7,888	16,452	17,841	172,304	157,480	144,337	129,515	116,477	104,018
Restricted										
Unrestricted (Deficit)	(24,624)	(58,658)	(90,328)	(46,063)	(12,506)	(4,985)	(12,958)	3,645	20,638	23,083
Total business-type activities net position	(25,120)	(50,770)	(73,876)	(28,222)	159,798	152,495	131,380	133,160	137,115	127,101
District-wide										
Invested in capital assets, net of related debt		3,719,347	3,188,752	3,821,489	3,821,489	3,377,336	3,298,919	3,291,464	3,260,252	3,240,490
Restricted (Deficit)	105,980	66,335	742,490	231,298	231,298	(57,758)	(57,757)	(18,211)	129,862	309,940
Unrestricted (Deficit)	(403,196)	(528,879)	(492,668)	(735,604)	(735,604)	(1,352,008)	(1,665,785)	(1,415,047)	(1,273,839)	(1,117,298)
Total district-wide net position	\$ (297,216)	\$ 3,256,803	\$ 3,438,574	\$ 3,317,183	\$ 3,317,183	\$ 1,967,570	\$ 1,575,377	\$ 1,858,206	\$ 2,116,275	\$ 2,433,132

* Net position was restated as of June 30, 2014 as required by implementation of GASB 68.

Source: CAFR Schedule A-1

BOROUGH OF WOODBINE BOARD OF EDUCATION
Changes in Net Position,
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
Instruction:										
Regular	\$ 1,199,048	\$ 1,139,228	\$ 1,165,264	\$ 1,568,939	\$ 1,697,102	\$ 1,659,491	\$ 1,882,799	\$ 1,694,525	\$ 1,882,365	\$ 2,333,757
Special education	740,378	900,194	954,053	281,901	489,003	335,662	444,434	406,243	428,747	696,544
Other instruction	125,030	140,352	154,395	297,514	198,944	106,866	37,471	35,088	104,733	24,021
Support Services:										
Tuition	1,326,867	1,434,283	1,353,275	1,749,250	1,925,864	1,696,009	1,412,240	2,090,005	2,197,385	1,469,890
Student & instruction related services	872,454	892,445	973,631	766,941	640,565	751,003	812,428	748,886	767,908	816,835
General administrative services	293,214	255,227	276,476	332,223	318,263	363,118	511,718	386,324	410,315	581,008
School administrative services	69,271	72,425	74,124	208,911	308,932	247,884	297,503	278,424	276,115	382,550
Business administrative services										
Plant operations and maintenance	301,633	292,941	259,749	269,456	324,068	312,447	341,770	464,928	569,569	583,414
Pupil transportation	324,008	363,671	241,476	336,845	318,281	285,753	396,631	436,661	351,368	214,689
Unallocated Capital Outlay										
Unallocated capital outlay				68,954	10,627	22,985	16,386	16,386		
Interest on long-term debt				210,218	109,283	105,581	97,681	91,431	101,318	94,618
Total governmental activities expenses	5,251,902	5,490,766	5,452,443	6,091,152	6,340,932	5,886,798	6,251,061	6,648,901	7,089,823	7,197,326
Business-type activities:										
Food service	182,891	202,339	173,207	159,107	171,784	186,584	191,093	173,424	177,216	182,908
School Store					245					
Latchkey	8,203	6,516	8,556	8,467	8,163	6,757	7,824	9,071	11,265	14,670
Total business-type activities expenses	191,094	208,855	181,762	167,574	180,192	193,341	198,917	182,495	188,481	197,578
Total district expenses	5,442,996	5,699,621	5,634,206	6,258,726	6,521,124	6,080,140	6,449,978	6,831,396	7,278,304	7,394,904
Program Revenues										
Governmental activities:										
Operating grants and contributions	772,264	937,700	951,075	898,626	826,029	827,356	1,179,783	1,340,300	1,802,525	1,490,319
Capital grants and contributions			1,128,494							
Total governmental activities program revenues	772,264	937,700	2,079,568	898,626	826,029	827,356	1,179,783	1,340,300	1,802,525	1,490,319
Business-type activities:										
Charges for services:										
Food service	43,630	48,830	28,118	40,594	31,047	29,652	29,828	19,652	16,758	10,254
School Store					307					
Latchkey	4,773	5,709	9,239	7,520	6,695	7,999	6,876	10,866	14,178	18,943
Operating grants and contributions	117,513	128,561	105,322	115,559	140,559	147,527	141,122	137,869	161,487	158,353
Total business-type activities program revenue	165,917	183,099	142,679	163,673	178,608	185,177	177,827	168,387	192,423	187,550
Total district program revenue	938,180	1,120,799	2,222,247	1,062,299	1,004,637	1,012,534	1,357,610	1,508,687	1,994,948	1,677,869
Net (Expense)/Revenue										
Governmental activities	(4,479,638)	(4,553,066)	(3,372,875)	(5,192,526)	(5,514,903)	(5,059,442)	(5,071,278)	(5,308,601)	(5,287,298)	(5,707,007)
Business-type activities	(25,177)	(25,756)	(39,083)	(3,901)	(1,584)	(8,164)	(21,091)	(14,108)	3,942	(10,028)
Total district-wide net expense	(4,504,815)	(4,578,822)	(3,411,958)	(5,196,427)	(5,516,487)	(5,067,606)	(5,092,369)	(5,322,709)	(5,283,356)	(5,717,035)

BOROUGH OF WOODBINE BOARD OF EDUCATION
Changes in Net Position,
Last Ten Fiscal Years
Unaudited

	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	1,224,753	1,279,075	1,284,516	1,284,516	1,335,896	1,369,809	1,444,527	1,473,417	1,613,698	1,735,875
Property taxes levied for debt service					97,268			151,714	155,020	156,737
Unrestricted grants and contributions	3,122,039	3,302,323	3,219,153	3,213,645	3,255,480	3,245,259	3,331,013	3,539,214	3,467,672	3,867,765
Federal and State Aid Restricted for a Specific Purpose				407,109	146,663	148,867	150,922	152,828	152,111	153,795
Miscellaneous income	30,652	3,558	57,612	169,741	107,989	77,448	116,660	179,269	152,911	130,261
Prior Year Accounts Receivable/Payable Adjustments								125,109		
Transfers	(30,754)		(16,738)	(49,529)	(256,272)					(10,555)
Total governmental activities	4,346,691	4,584,956	4,544,543	5,025,482	4,687,024	4,841,383	5,043,122	5,621,551	5,541,412	6,033,878
Business-type activities:										
Investment earnings	250	106	40	25	4	5	9	8	13	14
Transfers and Adjustments	30,754		15,938	49,529	21,995			(16,020)		
Total business-type activities	31,004	106	15,978	49,554	21,999	5	9	(16,012)	13	14
Total district-wide	4,377,695	4,585,062	4,560,521	5,075,036	4,709,023	4,841,388	5,043,131	5,605,539	5,541,425	6,033,892
Changes in Net Position										
Governmental activities	(132,947)	31,890	1,171,668	(167,044)	(827,879)	(218,059)	(28,156)	312,950	254,114	326,871
Business-type activities	5,827	(25,650)	(23,106)	45,653	20,415	(8,159)	(21,082)	(30,120)	3,955	(10,014)
Total district	(127,121)	6,240	1,148,562	(121,391)	(807,464)	(226,218)	(49,238)	282,830	258,069	316,857

Source: CAFR Schedule A-2

BOROUGH OF WOODBINE BOARD OF EDUCATION
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Restricted										
Assigned:									\$ 128,073	\$ 308,151
Subsequent Year's Expenditures										95,078
Encumbrances								\$ 96,979	125,113	84,728
Unassigned (Deficit)			\$(231,611)	\$(421,219)	\$(977,122)	\$(995,547)	\$(794,302)	(688,734)	(523,008)	(437,431)
Reserved	\$136,369	\$ 159,231								
Unreserved (Deficit)	(190,459)	(275,124)								
Total general fund	<u>(54,090)</u>	<u>(115,893)</u>	<u>(231,611)</u>	<u>(421,219)</u>	<u>(977,122)</u>	<u>(995,547)</u>	<u>(794,302)</u>	<u>(591,755)</u>	<u>(269,822)</u>	<u>50,526</u>
All Other Governmental Funds										
Restricted										
Capital Projects Fund			789,179	231,298	(51,159)	(57,758)	(57,757)	(18,211)	1,789	1,789
Unrestricted, reported in:										
Special revenue fund (Deficit)	(31,128)	(31,254)	(45,839)	(45,839)	(48,035)	(53,055)	(53,055)	(50,644)	(66,319)	(60,290)
Capital projects fund (Deficit)	738	(61,642)								
Total all other governmental funds	<u>\$ (30,390)</u>	<u>\$ (92,896)</u>	<u>\$ 743,340</u>	<u>\$ 185,459</u>	<u>\$ (99,194)</u>	<u>\$ (110,813)</u>	<u>\$ (110,812)</u>	<u>\$ (68,855)</u>	<u>\$ (64,530)</u>	<u>\$ (58,501)</u>

Source: CAFR Schedule B-1

BOROUGH OF WOODBINE BOARD OF EDUCATION
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Tax Levy	\$ 1,224,753	1,279,075	1,284,516	1,284,516	1,433,164	1,521,514	1,569,657	1,642,004	1,846,472	1,892,612
Miscellaneous	30,652	3,558	57,612	47,065	47,605	77,439	100,179	158,357	75,156	130,261
Local Sources	10,544	15,903	14,990	140,818	86,189	14,829	31,323	14,039	16,277	13,803
State sources	3,446,088	3,210,019	4,222,568	3,980,249	3,883,219	3,922,248	3,983,122	4,193,068	4,278,434	4,360,697
Federal sources	437,670	1,014,100	1,061,163	520,989	319,148	279,395	317,763	291,969	297,959	297,504
Total revenue	\$ 5,149,708	5,522,656	6,640,849	5,973,637	5,769,325	5,815,425	6,002,044	6,299,437	6,514,298	6,694,877
Expenditures										
Instruction:										
Regular instruction	\$ 922,663	1,030,133	984,858	1,249,653	1,234,835	1,320,084	1,268,641	1,345,530	1,449,928	1,496,493
Special education instruction	563,501	702,939	700,118	207,839	330,824	254,424	277,287	300,736	292,886	382,013
Other instruction	95,160	104,374	112,301	269,919	161,536	81,961	24,665	25,543	25,061	13,068
Support Services:										
Tuition	1,326,867	1,434,283	1,353,275	1,347,094	1,537,728	1,437,707	1,119,474	1,532,253	1,514,454	1,469,890
Student & instruction related services	690,548	687,659	725,371	700,675	576,126	688,962	682,196	496,591	563,739	525,031
General administrative services	129,076	125,452	127,598	144,159	113,771	167,974	260,223	232,133	218,711	231,031
School administrative services	53,105	53,986	53,743	183,076	273,556	228,055	269,540	243,363	230,631	276,935
Central Services	109,592	77,275	94,946	100,867	101,570	108,022	105,549	116,238	115,337	120,473
Business administrative services								21,538	31,585	30,330
Plant operations and maintenance	301,303	292,022	258,730	199,776	220,370	239,669	250,642	226,735	278,145	325,001
Pupil transportation	322,350	361,824	239,735	248,436	244,958	240,174	316,507	315,549	238,469	214,689
Unallocated employee benefits	655,319	700,408	886,127	921,178	1,071,200	754,870	917,155	966,964	905,576	946,073
Capital outlay	31,731	235,293	4,048,791	754,891	178,815	22,985	16,386	16,386	16,386	16,386
Debt service:										
Principal				170,000	185,000	195,000	205,000	215,000	220,000	230,000
Interest and other charges				174,024	111,132	105,581	99,731	93,581	87,132	80,532
Total Expenditures	5,201,215	5,805,647	9,585,593	6,671,587	6,341,421	5,845,469	5,812,996	6,148,140	6,188,040	6,357,945
Excess (Deficiency) of revenues over (under) expenditures	(51,507)	(282,992)	(2,944,743)	(697,950)	(572,096)	(30,044)	189,048	151,297	326,258	336,932
Other Financing Sources (Uses)										
Serial Bonds			3,682,000							
Cancellation of prior year receivables					(179,203)			130,629		
Cancellation of grants					(55,074)			(5,520)		
Transfers	(30,754)		(16,738)	(49,529)	(21,995)			(31,901)		(10,555)
Total other financing sources (uses)	(30,754)		3,665,262	(49,529)	(256,272)			93,208		(10,555)
Net change in fund balances	\$ (82,261)	(282,992)	720,519	(747,479)	(828,368)	(30,044)	189,048	244,505	326,258	326,377
Debt service as a percentage of noncapital expenditures	0%	0%	0%	6%	5%	5%	5%	5%	5%	5%

Source: CAFR Schedule B-2

BOROUGH OF WOODBINE BOARD OF EDUCATION
General Fund Other Local Revenue by Source,
Last Ten Fiscal Years
Unaudited

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Miscellaneous</u>	<u>SRECS</u>	<u>Rent</u>	<u>Homeless</u> <u>Tuition</u>	<u>Totals</u>
2009	564	13,694	\$ 83,245	\$ 32,745		\$ 130,248
2010	288	2,838				3,126
2011	538	8,830				9,368
2012	381	46,684				47,065
2013	620	20,945				21,565
2014	46	77,394				77,439
2015	164	100,015				100,179
2016	127	158,229			16,873	175,229
2017	180	74,963			77,754	152,897
2018	287	46,716	83,245			130,248

Source: District Records

BOROUGH OF WOODBINE BOARD OF EDUCATION
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	Estimated County Equalized Value
2009	\$ 8,503,500	132,543,000	4,344,600	102,300	23,942,900	4,763,000	5,061,400	179,260,700	1,416,345	180,677,045	0.710	181,694,390
2010	8,527,100	133,733,100	3,920,400	96,000	24,124,400	4,763,000	5,061,400	180,225,400	1,401,630	181,627,030	0.704	182,376,135
2011	8,367,200	133,927,900	3,614,800	94,300	24,646,200	4,700,300	3,911,400	179,262,100		179,262,100	0.708	180,544,076
2012	8,020,300	132,902,600	3,624,900	101,700	24,287,400	3,700,300	3,911,400	176,548,600	1,151,120	177,699,720	0.803	193,273,968
2013	7,583,600	133,033,300	3,725,700	94,200	23,713,300	3,700,300	3,911,400	175,761,800	936,356	176,698,156	0.858	189,925,208
2014	7,769,900	132,635,800	3,753,700	100,800	23,504,200	3,499,100	3,864,400	175,127,900	866,871	175,994,771	0.888	156,280,475
2015	7,497,000	132,215,400	3,769,500	102,100	27,628,600	3,249,100	3,864,400	178,326,100	876,003	179,202,103	0.903	159,134,482
2016	7,553,200	132,312,100	3,769,500	102,100	26,959,600	3,249,100	3,650,000	177,595,600	837,702	178,433,302	0.988	151,454,545
2017	7,067,600	131,552,200	3,769,500	107,000	26,888,100	3,249,100	3,650,000	176,283,500		176,283,500	1.070	156,487,794
2018	6,733,100	132,084,200	3,846,600	107,200	27,313,600	3,249,100	3,650,000	176,983,800		176,983,800	1.087	169,257,668

R = Revaluation

Source: County Abstract of Ratables & Municipal Tax Assessor

BOROUGH OF WOODBINE BOARD OF EDUCATION
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)
Unaudited

Fiscal Year Ended June 30,	BOROUGH OF WOODBINE BOARD OF EDUCATION			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Cape May County	Municipal Local Purpose	
2009	\$ 0.710	\$	0.710	\$ 0.204	\$ 0.238	\$ 1.152
2010	0.704		0.704	0.215	0.237	1.156
2011	0.708		0.708	0.214	0.251	1.173
2012	0.803		0.803	0.253	0.236	1.292
2013	0.858		0.858	0.265	0.236	1.359
2014	0.888		0.888	0.227	0.235	1.350
2015	0.903		0.903	0.231	0.235	1.369
2016	0.988		0.988	0.188	0.235	1.411
2017	1.070		1.070	0.235	0.235	1.540
2018	1.087		1.087	0.257	0.233	1.577

Source: District Records and Municipal Tax Collector

BOROUGH OF WOODBINE BOARD OF EDUCATION
Principal Property Tax Payers,
Current Year and Nine Years Ago
Unaudited

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Woodbine Manor Apts. LP	\$ 3,650,000	1	2.07%			
DMA Investments, LLC	3,444,000	2	1.95%			
Taxpayer #1	2,298,000	3	1.30%			
Taxpayer #2	1,418,000	4	0.80%			
SCA Serv of NJ Inc Waste Management	1,311,200	5	0.74%			NOT AVAILABLE
JSM Properties, LLC	1,300,000	6	0.74%			
Verizon	866,871	7	0.49%			
Star Gas Propane OP	855,100	8	0.49%			
Samuelkc, LLC	791,600	9	0.45%			
Taxpayer #3	773,800	10	0.44%			
Totals	\$ 16,708,571		9.48%			0.00%
			District Assessed Value			\$ 176,283,500

Source: District CAFR & Municipal Tax Assessor

BOROUGH OF WOODBINE BOARD OF EDUCATION
Property Tax Levies and Collections,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2009	\$ 1,224,753	1,224,753	100%	
2010	1,279,075	1,279,075	100%	
2011	1,284,516	1,284,516	100%	
2012	1,335,896	1,335,896	100%	
2013	1,433,164	1,433,164	100%	
2014	1,521,514	1,521,514	100%	
2015	1,569,657	1,569,657	100%	
2016	1,625,131	1,625,131	100%	
2017	1,768,718	1,768,718	100%	
2018	1,892,612	1,892,612	100%	

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

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

BOROUGH OF WOODBINE BOARD OF EDUCATION
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities				Total District	Percentage of Personal Income ^a	Per Capita
	General Obligation Bonds	Capital Leases	Net Pension Liability	Bond Anticipation Notes (BANs)			
2009	\$	\$ 14,621	\$	\$	\$ 14,621	0.0%	\$ 5.85
2010		9,626		500,000	509,626	0.5%	207.00
2011	3,682,000	4,270		307,536	3,993,806	3.5%	1,627.47
2012	3,512,000				3,512,000	2.9%	1,427.06
2013	3,327,000				3,327,000	2.7%	1,338.29
2014	3,132,000		583,517		3,715,517	3.0%	1,497.59
2015	2,927,000		583,517		3,510,517	2.7%	1,418.96
2016	2,712,000				2,712,000	2.0%	1,093.99
2017	2,492,000				2,492,000	1.8%	1,012.60
2018	2,262,000				2,262,000	1.7%	920.63

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

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

- a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

BOROUGH OF WOODBINE BOARD OF EDUCATION
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2009	\$	\$	\$		\$
2010					
2011	3,682,000		3,682,000		
2012	3,512,000		3,512,000	1.96%	
2013	3,327,000		3,327,000	1.87%	1,352
2014	3,132,000		3,132,000	1.77%	1,260
2015	2,927,000		2,927,000	1.66%	1,180
2016	2,712,000		2,712,000	1.51%	1,096
2017	2,492,000		2,492,000	1.39%	1,003
2018	2,262,000		2,262,000	1.27%	912

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

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

BOROUGH OF WOODBINE BOARD OF EDUCATION
Direct and Overlapping Governmental Activities Debt,
As of June 30, 2018
Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Borough of Woodbine - December 31, 2017	\$ -	100%	\$ -
Other Debt			
County of Cape May - December 31, 2017	226,540,860	0.34%	766,593
Subtotal, Overlapping Debt			<u>766,593</u>
School District Direct Debt			<u>2,262,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 3,028,593</u></u>

Sources: Borough of Woodbine Finance Officer
 County of Cape May Finance Officer

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

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

BOROUGH OF WOODBINE BOARD OF EDUCATION
Legal Debt Margin Information,
Last Ten Fiscal Years
Unaudited

Equalized valuation basis	
2017	\$ 167,204,306
2016	157,652,552
2015	152,077,520
	<u> </u>
	<u>\$ 476,934,378</u>

Average equalized valuation of taxable property \$ 158,978,126

Debt limit (3% of average) ^a	4,769,344
Net bonded school debt	<u>2,262,000</u>

Legal debt margin \$ 2,507,344

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt limit	\$ 4,799,402	\$ 5,203,980	\$ 5,336,935	\$ 5,359,639	\$ 5,434,557	\$ 5,209,345	\$ 5,005,673	\$ 4,648,271	\$ 4,660,105	\$ 4,769,344
Total net debt applicable to limit			<u>3,682,000</u>	<u>3,512,000</u>	<u>3,327,000</u>	<u>3,132,000</u>	<u>2,927,000</u>	<u>2,712,000</u>	<u>2,492,000</u>	<u>2,262,000</u>
Legal debt margin	<u>\$ 4,799,402</u>	<u>\$ 5,203,980</u>	<u>\$ 1,654,935</u>	<u>\$ 1,847,639</u>	<u>\$ 2,107,557</u>	<u>\$ 2,077,345</u>	<u>\$ 2,078,673</u>	<u>\$ 1,936,271</u>	<u>\$ 2,168,105</u>	<u>\$ 2,507,344</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	68.99%	65.53%	61.22%	60.12%	58.47%	58.34%	53.48%	47.43%

Source: Abstract of Ratables and District Records.

^a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

BOROUGH OF WOODBINE BOARD OF EDUCATION
Demographic and Economic Statistics,
Last Ten Fiscal Years
Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2009	2,500	\$ 108,480	\$ 43,392	11.8%
2010	2,462	109,308	44,398	27.0%
2011	2,454	114,671	46,728	21.6%
2012	2,461	119,253	48,457	13.4%
2013	2,486	122,436	49,250	12.7%
2014	2,481	125,812	50,710	9.3%
2015	2,474	131,639	53,209	10.0%
2016	2,479	136,010	54,865	8.6%
2017	2,461	137,704	55,414	8.7%
* 2018	2,457	136,287	55,469	8.5%

Source:

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income provided by the US Dept. of Commerce, Bureau of Economic Analysis.
- c Per Capita information provided by the US Dept. of Commerce, Bureau of Economic Analysis.
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development

*Estimate

BOROUGH OF WOODBINE BOARD OF EDUCATION
Principal Employers,
Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	<u>2018</u>		<u>2009</u>	
	<u>Approximate Number of Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Morey Organization				
Woodbine Developmental Center				
US Coast Guard				
Cape Regional Medical Center				
Acme Markets				
Wawa				
Shop Rite				
Super Fresh				
Lobster House				
Windrift				

BOROUGH OF WOODBINE BOARD OF EDUCATION
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years
Unaudited

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Instruction:										
Regular instruction	22	23	22	21	21	19	19	19	19	20.4
Special education instruction	3	3	2	3	3	3	3	3	3	3
Other special education	3	1	1							
Other Instruction	3	5	5	6	6	7	7	7		
Support Services:										
Tuition										
Student & instruction related services	4	4	7	4	4	4	4	4	4.5	4.0
General administrative services	1	1	1	1	1	1	1	1		
School administrative services				1	1	1	1	1	1	1
Technology services	1	1	1	1	1	1	1	1		
Business administrative services	1	1	1	1	1	1	1			
Plant operations and maintenance										
Total	38	38	40	38	38	37	37	35	27.5	28.4

Source: District Personnel Records

BOROUGH OF WOODBINE BOARD OF EDUCATION
Operating Statistics,
Last Ten Fiscal Years
Unaudited

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				
2009	213	\$ 5,014,729	\$ 23,543	35.63%	22	1:12	1:13	202	189	-14.23%	93.21%
2010	216	5,178,100	23,973	1.82%	22	1:15	1:9	203	191	0.30%	94.09%
2011	217	5,570,354	25,670	7.08%	22	1:15	1:9	207	195	1.97%	94.20%
2012	211	5,572,672	26,411	2.89%	21	1:14	1:11	220	204	6.28%	92.73%
2013	235	5,866,474	24,964	-5.48%	21	1:15	1:18	236	222	7.27%	94.07%
2014	212	5,866,474	27,672	10.85%	22	1:12	1:9	221	207	-6.36%	93.67%
2015	206	5,866,474	28,478	-2.91%	22	1:12	1:9	221	207	0.00%	93.67%
2016	212	5,521,903	26,047	8.54%	22	1:13	1:8	225	211	1.81%	93.78%
2017	228	5,521,903	24,219	-7.02%	22	1:13	1:8	223	207	1.81%	92.83%
2018	221	5,491,879	24,850	-7.02%	22	1:13	1:8	211	196	-6.22%	92.75%

Source: District records

BOROUGH OF WOODBINE BOARD OF EDUCATION
School Building Information,
Last Ten Fiscal Years
Unaudited

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>District Buildings</u>										
<u>Woodbine Elementary School</u>										
Square Feet	52,789	52,789	52,789	52,789	52,789	52,789	52,789	52,789	52,789	52,789
Capacity (students)	294	294	294	294	294	294	294	294	294	294
Enrollment	213	216	217	211	236	212	206	212	228	221

Number of Schools at June 30, 2018
Elementary - 1

Source: District Records, ASSA

BOROUGH OF WOODBINE BOARD OF EDUCATION
General Fund
Schedule of Required Maintenance for School Facilities,
Last Ten Fiscal Years
(Unaudited)

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

<u>School Facilities</u>	<u>Project # (s)</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Woodbine Elementary School	N/A	\$ 20,105	\$ 30,455	\$ 14,737	\$ 16,092	\$ 33,754	\$ 34,287	\$ 40,171	\$ 36,501	\$ 67,862	\$ 75,312
Total School Facilities		\$ 20,105	\$ 30,455	\$ 14,737	\$ 16,092	\$ 33,754	\$ 34,287	\$ 40,171	\$ 36,501	\$ 67,862	\$ 75,312
Other Facilities											
Grand Total		\$ 20,105	\$ 30,455	\$ 14,737	\$ 16,092	\$ 33,754	\$ 34,287	\$ 40,171	\$ 36,501	\$ 67,862	\$ 75,312

Source: District Records

**BOROUGH OF WOODBINE BOARD OF EDUCATION
Insurance Schedule
For the Fiscal Year Ended June 30, 2018
(Unaudited)**

Company	Type of Coverage	Amount of Coverage	Deductible
New Jersey School Boards Association Insurance Group (NJSBAIG) & Cape May Atlantic Counties Insurance Pool	General Coverage:		
	General Liability	\$ 6,000,000	
	Automobile Liability	6,000,000	
	Worker's Compensation	1,714,004	
	Excess Liability:		
	General & Automobile Liability	10,000,000	
	Student Accident:		
	Accident Medical Benefit	1,000,000	
	Excess Medical Benefit	5,000,000	\$ 25,000
	Volunteer Coverage	25,000	
	Catastrophic Cash Benefit	1,000,000	
	School Leaders Errors & Omissions		
	Coverage A	16,000,000	10,000 each Claim
	Coverage B	300,000	15,000 each Claim
	Blanket Real & Personal Property	13,030,900	1,000 per Loss
	Extra Expense	50,000,000	1,000 per Loss
	Valuable Paper & Records	10,000,000	1,000 per Loss
	Equipment Breakdown	100,000,000	1,000 per Loss
	Cyber Liability	1,000,000	Various
	Environmental Package	1,000,000	Various
	EDP/Computer Hardware	180,000	1,000 per Loss
	Crime Coverage:		
	Blanket Faithful Performance	250,000	1,000 per Loss
	Depositors Forgery & Alteration	50,000	500 per Loss
	Money & Securities	50,000	500 per Loss
	Computer Fraud	25,000	500 per Loss
	Statutory Bonds:		
	Board Secretary/Business Administrator	50,000	500 per Loss
	Treasurer	180,000	1,000 per Loss

Source: District Records

SINGLE AUDIT SECTION

NIGHTLINGER, COLAVITA & VOLPA

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the of Education of the Woodbine Borough School District, in the County of Cape May, 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 of Education of the Woodbine Borough School District's basic financial statements, and have issued our report thereon dated January 23, 2019.

Internal Control Over Financial Reporting

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

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 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 over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. 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 Borough of Woodbine 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 the audit requirements as prescribed by the Office of School 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 Borough of Woodbine School District'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 Borough of Woodbine School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, the Borough of Woodbine Board of Education, the New Jersey Department of Education and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
January 23, 2019

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

We have audited the Borough of Woodbine Board of Education'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 its major federal and state programs for the year ended June 30, 2018. The Borough of Woodbine Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Woodbine Borough Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and as prescribed by the *Division of Administration and Finance, Department of Education, State of New Jersey* and *New Jersey OMB 15-08*. Those standards, Uniform Guidance and New Jersey 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 Borough of Woodbine Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Woodbine Borough Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Borough of Woodbine Board of Education 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 Woodbine Borough School District's Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Woodbine Borough Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with Uniform Guidance and New Jersey OMB Treasury 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 Borough of Woodbine Board of Education's internal control over compliance.

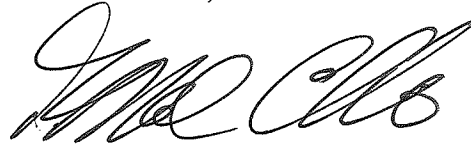
A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal or state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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above or any instance of deficiency in internal control over compliance that we have to report to the Board of Education in a separate report entitled ***Auditors' Management Report on Administrative Findings-Financial, Compliance and Performance*** dated January 23, 2019. However, material weaknesses may exist that have not been identified.

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

This report is intended solely for the information and use of the audit committee, management, the Borough of Woodbine Board of Education, the New Jersey State Department of Education, other state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,
NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
January 23, 2019

BOROUGH OF WOODBINE 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	Program or Award Amount	Balance 6/30/17	Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Repayment of Prior Years' Balances/ Adjustments	Deferred Revenue 6/30/18	(Accounts Receivable) 6/30/18	Due to Grantor at 6/30/18
U.S. Department of Agriculture Passed-through State Department of Education:														
General Fund Fund:														
Medical Assistance Program	93.778	1805NJ5MAP	N/A	7/01/17-6/30/18	1,818		1,818	(1,818)		(1,818)				
Enterprise Fund:														
Non-Cash Assistance:														
Food Distribution Program	10.565	Unknown	N/A	7/01/17-6/30/18	\$ 15,060		\$ 15,060	\$ (10,514)		\$ (10,514)		\$ 4,546		
Food Distribution Program	10.565	Unknown	N/A	7/01/16-6/30/17	15,181	\$ 4,002		(4,002)		(4,002)				
Child Nutrition Cluster:														
Cash Assistance:														
National School Lunch Program	10.555	171NJ304N1099	N/A	7/01/17-6/30/18	89,873		85,107	(89,873)		(89,873)			\$ (4,766)	
National School Lunch Program	10.555	161NJ304N1099	N/A	7/01/16-6/30/17	93,090	(14,677)	14,677							
School Breakfast Program	10.553	171NJ304N1099	N/A	7/01/17-6/30/18	49,177		46,753	(49,177)		(49,177)			(2,424)	
School Breakfast Program	10.553	161NJ304N1099	N/A	7/01/16-6/30/17	49,432	(7,797)	7,797							
School Snack Program	10.555	171NJ304N1099	N/A	7/01/17-6/30/18	3,045		2,972	(3,045)		(3,045)			(73)	
School Snack Program	10.555	161NJ304N1099	N/A	7/01/16-6/30/17	2,854	(187)	187							
Total Enterprise Fund						(18,659)	172,553	(156,611)		(156,611)		4,546	(7,263)	
U.S. Department of Education Passed-through State Department of Education:														
Special Revenue Fund:														
Elementary and Secondary Education Act (E.S.E.A.)														
Title I	84.010	S010A160030	NCLB-5840-17	7/01/16-6/30/17	187,367	(47,869)	51,229							3,360
Title I	84.010	S010A170030	NCLB-5840-18	7/01/17-6/30/18	203,463		100,497	(183,479)		(183,479)			(82,982)	
Title I - SIA Part A	84.010	S010A170030	NCLB-5840-18	7/01/17-6/30/18	62,489									
Title II, Part A	84.367A	S367A160029	NCLB-5840-17	7/01/16-6/30/17	45,830	(7,345)	7,345							
Title II, Part A	84.367A	S367A170029	NCLB-5840-18	7/01/17-6/30/18	17,584		14,681	(17,584)		(17,584)			(2,903)	
IDEA Cluster:														
IDEA Part B, Basic Regular	84.027	H027A160100	IDEA-5840-17	7/01/16-6/30/17	89,452	(47,848)	47,848							
IDEA Part B, Basic Regular	84.027	H027A170100	IDEA-5840-18	7/01/17-6/30/18	93,669		74,263	(93,669)		(93,669)			(19,406)	
IDEA Part B, Basic Preschool	84.173	H173A160114	IDEAPS-5840-17	7/01/16-6/30/17	902	(902)	902							
IDEA Part B, Basic Preschool	84.173	H173A170114	IDEAPS-5840-18	7/01/17-6/30/18	954			(954)		(954)			(954)	
REAP	84.358A	S358A166803	REAP-5840-17	7/01/16-6/30/17	4,685	(267)							(267)	
Total Special Revenue Fund						(104,231)	296,765	(295,686)		(295,686)			(106,512)	3,360
Total Federal Financial Awards						\$ (122,890)	\$ 471,136	\$ (454,115)		\$ (454,115)		\$ 4,546	\$ (113,775)	\$ 3,360

(A) There were no awards passed through to subrecipients.

The accompanying Notes to Financial Statements and Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

These funds were not audited in accordance with the Uniform Guidance since the total of all grant expenditures did not exceed \$750,000.

BOROUGH OF WOODBINE SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year Ended June 30, 2018

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period	(Accounts Receivable)	Carryover/	Cash Received	Budgetary Expenditures	Adjustments/	Balance at June 30, 2018			MEMO	
				Balance June 30, 2017	(Walkover) Amount			Repayment of Prior Years' Balances	Deferred Revenue	(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education													
General Fund:													
Equalization Aid	17-495-034-5120-078	\$ 1,802,434	7/01/16-6/30/17	\$ (157,383)		\$ 157,383							
Equalization Aid	18-495-034-5120-078	1,802,434	7/01/17-6/30/18			1,650,144	\$ (1,802,434)		\$ (152,290)			\$ 152,290	\$ 1,802,434
Special Education Categorical Aid	17-495-034-5120-089	124,339	7/01/16-6/30/17	(10,857)		10,857							
Special Education Categorical Aid	18-495-034-5120-089	124,339	7/01/17-6/30/18			113,834	(124,339)		(10,505)			10,505	124,339
Security Aid	17-495-034-5120-084	85,575	7/01/16-6/30/17	(7,472)		7,472							
Security Aid	18-495-034-5120-084	85,575	7/01/17-6/30/18			78,345	(85,575)		(7,230)			7,230	85,575
Adjustment Aid	17-495-034-5120-085	756,649	7/01/16-6/30/17	(66,068)		66,068							
Adjustment Aid	18-495-034-5120-085	726,518	7/01/17-6/30/18			665,134	(726,518)		(61,384)			61,384	726,518
Transportation Aid	17-495-034-5120-014	164,200	7/01/16-6/30/17	(14,337)		14,337							
Transportation Aid	18-495-034-5120-014	164,200	7/01/17-6/30/18			150,327	(164,200)		(13,873)			13,873	164,200
PARCC Readiness Aid	17-495-034-5120-098	2,260	7/01/16-6/30/17	(197)		197							
PARCC Readiness Aid	18-495-034-5120-098	2,260	7/01/17-6/30/18			2,069	(2,260)		(191)			191	2,260
Per Pupil Growth Aid	17-495-034-5120-097	2,260	7/01/16-6/30/17	(197)		197							
Per Pupil Growth Aid	18-495-034-5120-097	2,260	7/01/17-6/30/18			2,069	(2,260)		(191)			191	2,260
School Choice Aid	17-495-034-5120-068	32,028	7/01/16-6/30/17	(2,797)		2,797							
School Choice Aid	18-495-034-5120-068	32,028	7/01/17-6/30/18			29,322	(32,028)		(2,706)			2,706	32,028
Prof Learning Comm Aid	17-495-034-5120-101	2,290	7/01/16-6/30/17	(200)		200							
Prof Learning Comm Aid	18-495-034-5120-101	2,290	7/01/17-6/30/18			2,097	(2,290)		(193)			193	2,290
New Jersey Advanced Aid	N/A	30,131	7/01/17-6/30/18			30,131	(30,131)						30,131
Lead Testing for Schools Aid	18-495-034-5120-104	640	7/01/17-6/30/18			640	(640)						640
Non-public Transportation Costs	18-495-034-5120-014	3,132	7/01/17-6/30/18				(3,132)		(3,132)				3,132
Social Security Contributions	17-495-034-5094-003	115,118	7/01/16-6/30/17	(5,654)		5,654							
Social Security Contributions	18-495-034-5094-003	117,678	7/01/17-6/30/18			117,678	(117,678)						117,678
Total General Fund				(265,162)		3,106,952	(3,093,485)			(251,695)		248,563	3,093,485
Special Revenue Fund:													
Preschool Education Aid	17-495-034-5120-086	530,552	7/01/16-6/30/17	12,335	\$ (78,654)	66,319							
Preschool Education Aid	18-495-034-5120-086	717,728	7/01/17-6/30/18		78,654	578,784	(656,953)	\$ 1,167	\$ 61,942	(60,290)		60,290	656,953
Total Special Revenue Fund				12,335		645,103	(656,953)	1,167	61,942	(60,290)		60,290	656,953
Capital Projects Fund													
School Construction Corporation Building Upgrades & Boiler Project	5840-050-09-3000	561,991	Open	(561,991)						(561,991)			561,991
Total Capital Projects Fund				(561,991)						(561,991)			561,991
Debt Service Fund													
Debt Service Aid Type II	18-495-034-5120-017	153,795	7/01/17-6/30/18			153,795	(153,795)						153,795
Total Debt Service Fund						153,795	(153,795)						153,795
State Department of Agriculture													
Enterprise Fund:													
State School Lunch Program	17-100-010-3350-023	1,814	7/01/16-6/30/17	(286)		286							
State School Lunch Program	18-100-010-3350-023	1,742	7/01/17-6/30/18			1,650	(1,742)		(92)				1,742
Total Enterprise Fund				(286)		1,936	(1,742)		(92)				1,742
Total State Financial Assistance Subject to OMB 15-08				\$ (815,104)	\$ -	\$ 3,907,786	\$ (3,905,975)	\$ 1,167	\$ 61,942	\$ (874,068)		\$ 308,853	\$ 4,467,966
State Financial Assistance Not Subject to OMB 15-08													
On-Behalf TPAF Pension Contribution	18-495-034-5094-002	223,285	7/01/17-6/30/18			\$ 223,285	\$ (223,285)						
On-Behalf TPAF Post Retirement Medical Contrib.	18-495-034-5094-001	144,215	7/01/17-6/30/18			144,215	(144,215)						
On-behalf TPAF Long-Term Disability Contrib.	18-495-034-5094-004	490	7/01/17-6/30/18			490	(490)						
Total State Financial Assistance						\$ 4,275,776	\$ (4,273,965)						

The Accompanying Notes to Schedules of Awards and Financial Assistance are an integral part of this schedule.

**BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2018**

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise 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 in this schedule is presented in accordance with the requirements of 2 CFR 200- *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB 15-08. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003,c.97 (A3521). 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 net adjustment to reconcile from the budgetary basis to the GAAP basis is \$82,445 for the general fund and \$6,029 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the GAAP 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 as follows:

BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2018

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
State Assistance:					
Actual Amounts (Budgetary) "revenues" from the Schedule of Expenditures of State Financial Assistance	\$ 3,093,485	\$ 656,953	\$ 153,795	\$ 1,742	\$ 3,905,975
Difference - Budget to GAAP					
State Aid Payment Recognized for GAAP Statements in the Current Year, Previously Recognized for Budgetary Purposes	259,508	66,319			325,827
State Aid Payment Recognized for Budgetary Purposes, not Recognized for GAAP Statements until the Subsequent Year	(248,563)	(60,290)			(308,853)
Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditure, and the Related Revenue is Recognized	71,500				71,500
On Behalf Payments Recognized for GAAP Purposes but not Included on the Schedule of Expenditures of State Financial Assistance	367,990				367,990
Total State Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 3,543,920</u>	<u>\$ 662,982</u>	<u>\$ 153,795</u>	<u>\$ 1,742</u>	<u>\$ 4,362,439</u>

**BOROUGH OF WOODBINE SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2018**

	General Fund	Special Revenue Fund	Debt Service Fund	Food Service Fund	Total
Federal Assistance					
Actual Amounts (Budgetary)					
"revenues" from the Schedule					
of expenditures of Federal Awards	\$ 1,818	\$ 295,686		\$ 156,611	\$ 454,115
Difference - Budget to GAAP					
Grant Accounting Budgetary					
Basis Differs from GAAP in that					
Encumbrances are Recognized as					
Expenditure, and the Related					
Revenue is Recognized					
Total Federal Revenue as Reported					
on the Statement of Revenues,					
Expenditures and Changes in					
Fund Balances	\$ 1,818	\$ 295,686		\$ 156,611	\$ 454,115

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 U.S.D.A. Commodities 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.

NOTE 6: SCHOOLWIDE PROGRAM FUNDS

The District's Federal Programs are maintained on a school-wide basis.

NOTE 7: ADJUSTMENTS

There were no adjustments on the schedule A of Federal Awards and a net adjustment of \$1,167 reflected on Schedule B of the State Financial Assistance.

**BOROUGH OF WOODBINE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- 1) Material weakness (es) identified? _____ yes X no
- 2) Significant deficiencies identified? _____ yes X none reported

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

Federal Awards N/A

Internal control over major programs:

- 1) Material weakness (es) identified? _____ yes _____ no
- 2) Significant deficiencies identified? _____ yes _____ none reported

Type of auditor's report issued on compliance for major programs: **N/A**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section .516(a)? _____ yes _____ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
N/A		

Dollar threshold used to distinguish between type A and type B programs (section .518): **N/A**

Auditee qualified as low-risk auditee? _____ yes _____ no

**BOROUGH OF WOODBINE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED 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

Internal control over major programs:

1) Material weakness (es) identified? yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

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

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

18-495-034-5120-078

Equalization Aid

18-495-034-5120-089

Special Education Categorical Aid

18-495-034-5120-084

Security Aid

18-495-034-5120-068

School Choice Aid

18-495-034-5120-085

Adjustment Aid

18-495-034-5120-098

PARCC Readiness Aid

18-495-034-5120-097

Per Pupil Growth Aid

18-495-034-5120-101

Professional Learning Community Aid

**BOROUGH OF WOODBINE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018
(continued)**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

Finding: N/A

Criteria or specific requirement:

Condition:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

**BOROUGH OF WOODBINE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018
(continued)**

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

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

FEDERAL AWARDS N/A

Finding:

Information on the federal program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

STATE AWARDS N/A

Finding:

Information on the state program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Management's response:

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018**

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a)(b) and New Jersey OMB's Treasury Circular 04-04 and/or 15-08, as applicable.

STATUS OF PRIOR - YEAR FINDINGS

NONE