

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, 2017

COMPREHENSIVE ANNUAL FINANCIAL REPORT

of the

Borough of Woodbine Board of Education

Woodbine, New Jersey

For the Fiscal Year Ended June 30, 2017

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, 2017**

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	1-4
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	8-10
Required Supplementary Information - Part I Management's Discussion and Analysis (Unaudited)	11-16
Basic Financial Statements	
A. District-wide Financial Statements:	
A-1 Statement of Net Position	17
A-2 Statement of Activities	18
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	19
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	20
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Proprietary Funds:	
B-4 Statement of Net Position	22
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	23
B-6 Statement of Cash Flows	24
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	25
B-8 Statement of Changes in Fiduciary Net Position	26
Notes to the Financial Statements	27-50

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE BOROUGH OF WOODBINE BOARD OF EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**TABLE OF CONTENTS
(page 2)**

FINANCIAL SECTION (continued)	<u>Page</u>
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules (Unaudited):	
C-1 Budgetary Comparison Schedule - General Fund	51-60
C-1a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (if applicable)	N/A
C-1b Community Development Block Grant – Budget and Actual (if applicable)	N/A
C-2 Budgetary Comparison Schedule – Special Revenue Fund	61
Notes to the Required Supplementary Information – Part II	
C-3 Budget-to-GAAP Reconciliation	62
Required Supplementary Information - Part III (Unaudited)	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability – PERS	63
L-2 Schedule of District Contributions – PERS	64
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability – TPAF	65
L-4 Schedule of District Contributions – TPAF	66
Notes to the Required Supplementary Information – Part III	
Other Supplementary Information	
D. School Based Budget Schedules (if applicable)	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures – Budgetary Basis	68-69

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE BOROUGH OF WOODBINE BOARD OF EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**TABLE OF CONTENTS
(page 3)**

FINANCIAL SECTION (continued)	<u>Page</u>
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	70
 F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	71
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis	72
F-2a Schedule(s) of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis	73
F-2b Schedule(s) of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis	74
 G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Position	75
G-2 Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	76
G-3 Combining Schedule of Cash Flow	77
Internal Service Fund:	
G-4 Combining Schedule of Net Position	N/A
G-5 Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	N/A
G-6 Combining Schedule of Cash Flows	N/A
 H. Fiduciary Funds	
H-1 Combining Statement of Fiduciary Net Position	78
H-2 Student Activity Agency Fund Schedule of Changes in Assets and Liabilities	79
H-3 Scholarship Expendable Trust Fund, Statement of Revenues, Expenditures and Changes in Fund Balance	80
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	81
 I. Long-Term Debt	
I-1 Schedule of Serial Bonds	82
I-2 Schedule of Obligations under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	83

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE BOROUGH OF WOODBINE BOARD OF EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**TABLE OF CONTENTS
(page 4)**

STATISTICAL SECTION (UNAUDITED)

	<u>Page</u>
Introduction to the Statistical Section	
Financial Trends	
J-1 Net Position by Component	84
J-2 Changes in Net Position	85-86
J-3 Fund Balances - Governmental Funds	87
J-4 Changes in Fund Balances, Governmental Funds	88
J-5 General Fund Other Local Revenue By Source	89
Revenue Capacity	
J-6 Assessed Value and Estimated Actual Value of Taxable Property	90
J-7 Direct and Overlapping Property Tax Rates	91
J-8 Principal Property Tax Payers	92
J-9 Property Tax Levies and Collections	93
Debt Capacity	
J-10 Ratio of Outstanding Debt by Type	94
J-11 Ratios of General Bonded Debt Outstanding	95
J-12 Direct and Overlapping Governmental Activities Debt	96
J-13 Legal Debt Margin Information	97
Demographic and Economic Information	
J-14 Demographic and Economic Statistics	98
J-15 Principal Employers	99
Operating Information	
J-16 Full-time Equivalent District Employees by Function/Program	100
J-17 Operating Statistics	101
J-18 School Building Information	102
J-19 Schedule of Required Maintenance Expenditures by School Facility	103
J-20 Insurance Schedule	104

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE BOROUGH OF WOODBINE BOARD OF EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**TABLE OF CONTENTS
(page 5)**

SINGLE AUDIT SECTION

K-1	Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	105-106
K-2	Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures Required by the Uniform Administrative Requirements, Cost Principals and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular Letter 15-08	107-109
K-3	Schedule of Expenditures of Federal Awards, Schedule A	110
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	111
K-5	Notes to Schedules of Expenditures of Federal and State Awards	112-114
K-6	Schedule of Findings and Questioned Costs- Summary of Auditor's Results	115-116
K-7	Schedule of Findings and Questioned Costs- Financial Statement, Federal Awards and State Financial Assistance	117-118
K-8	Summary Schedule of Prior Year Audit Findings	119

INTRODUCTORY SECTION

WOODBINE BOARD OF EDUCATION

801 Webster Street
Woodbine, New Jersey 08270

November 7, 2017

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, 2017, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the 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 2016-17 fiscal year with an enrollment of 228 students, which is 16 students more 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>
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%
2007-08	186	-11.85%

*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 2016-17 the district had 4 choice students from other districts.

Also, during the 2016-17 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, 2017.

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, 2017, the District's outstanding debt issues included \$2,492,000 of school bonds. There is also \$2,168,105 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.

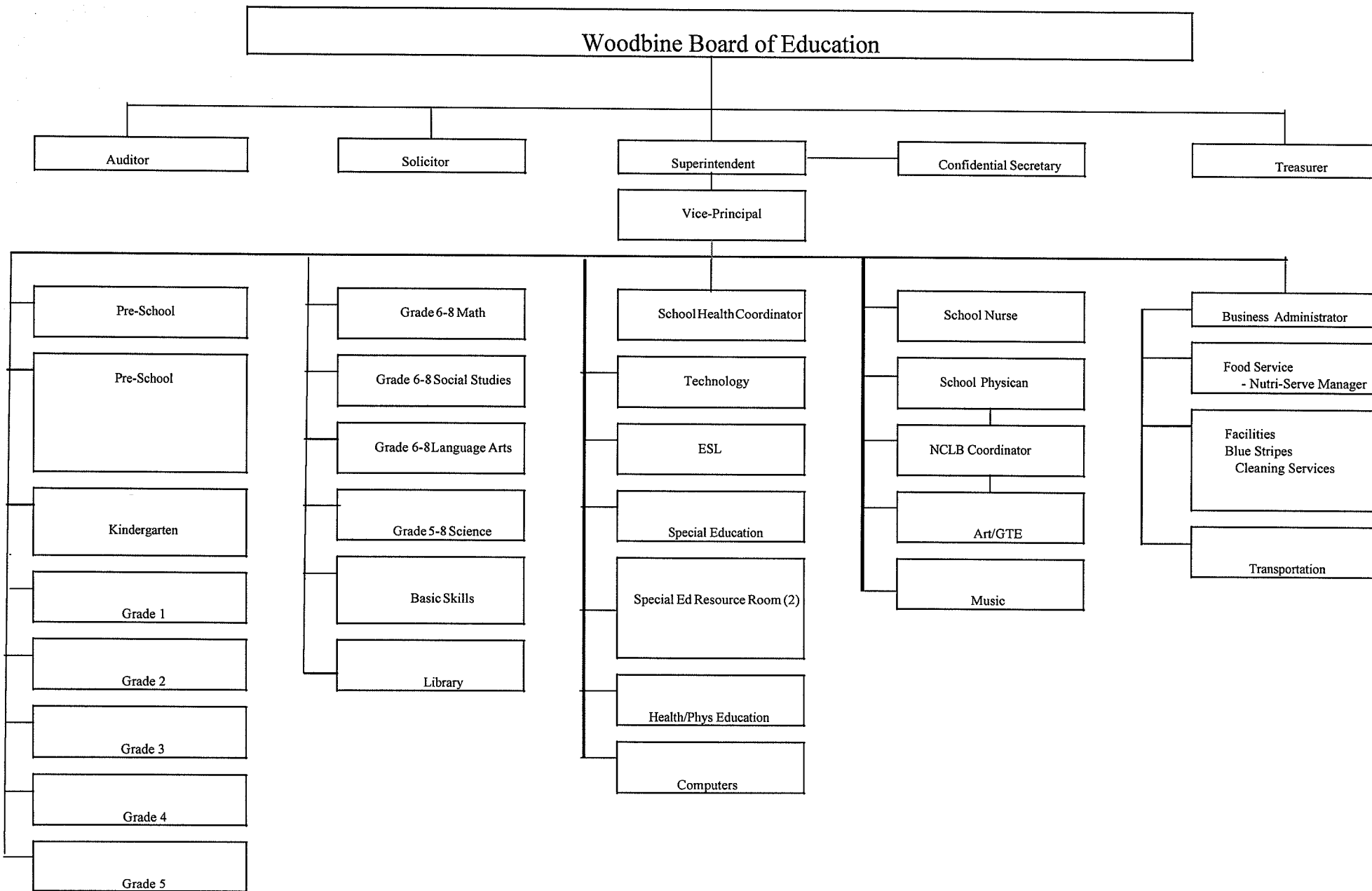
Respectfully submitted:

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, 2017

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Janita Hutchinson, President	2017
Miriam Vives-Rivera, Vice President	2017
Adelina Feliciano	2019
Victoria London	2017
Melissa McGraw	2019
Donald Jenkins	2017
Gregory Hudgins	2018
Patrick Keenan	2017
Rachel Young	2019
<u>OTHER OFFICIALS</u>	<u>Bond Amount</u>
Anthony DeVico, Principal/Superintendent	
Darren Harris, Business Administrator	
Frank Onorato, Treasurer of School Monies	\$180,000
Susan Hodges, Esq., Solicitor	

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

CONSULTANTS AND ADVISORS

ATTORNEY

David A. Rapuano
Archer & Greiner, PC
One Centennial Square
Haddonfield, NJ 08033

Susan Hodges
Simon, Schwartz, Edelstein and Celso, LLC
100 S Jefferson Rd #200
Whippany, NJ 07981

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, 2017, 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, 2017, 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.

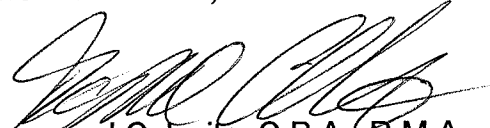
The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2017 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 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
November 7, 2017

REQUIRED SUPPLEMENTARY INFORMATION – PART I

**WOODBINE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
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, 2017. 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 2017 are as follows:

- In total, net position increased \$258,069, which represents an increase of 13.9% percent from 2016.
- General revenues accounted for \$5,541,425 of total revenue or 73.5% 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 \$1,994,948 or 26.5% of total revenues of \$7,536,373.
- Total assets of governmental activities decreased by \$62,609 as capital assets decreased by \$238,174, cash increased by \$157,356, and receivables increased by \$18,209.
- The School District had \$7,278,304 in expenses of which only \$1,994,948 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and state aid) of \$5,541,425 were used to provide for these programs.
- Among governmental funds, the General Fund had \$5,249,942 in revenues and \$4,908,022 in expenditures. The General Fund's fund balance increased \$321,933 from 2016.

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 2017?" 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 that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.