

**Borough of Wenonah Board of Education  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2015**

**SCHOOL DISTRICT  
OF  
BOROUGH OF WENONAH**

**Borough of Wenonah Board of Education  
Wenonah, New Jersey**

*Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2015*

*Comprehensive Annual*

*Financial Report*

*of the*

*Borough of Wenonah Board of Education*

*Wenonah, New Jersey*

*For the Fiscal Year Ended June 30, 2015*

*Prepared by*

*Wenonah School District  
Board of Education*

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## **Introductory Section**



*Joseph Corn*  
**Chief School Administrator**

*Nancy L. McCabe*  
**Business Administrator  
Board Secretary**

November 20, 2015

Honorable President and  
Members of the Board of Education  
Borough of Wenonah School District  
County of Gloucester  
Wenonah, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Borough of Wenonah School District (District) for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report are accurate 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 District as of June 30, 2015, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the independent auditor's report, the MD & A, and the basic financial statements including the district-wide statements, fund statements, notes to the financial statements, required supplementary information, other MD & A, including budgetary comparison schedules and other supplementary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as amended in 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the state Treasury Circular Letter 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control and compliance with applicable laws and regulations and findings and recommendations, if any, are included in the single audit section of this report.

## **1. Reporting Entity and Its Services**

The Borough of Wenonah School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The Borough of Wenonah Board of Education and its school constitutes the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 6. These include regular, as well as special education for handicapped youngsters. The District completed the 2014-2015 fiscal year with an average enrollment of 209 students, which is 18 students less than the previous year's enrollment.

The teaching staff consists of approximately twenty-four faculty members, plus twelve instructional classroom aides. The District's administrative structure includes a superintendent/principal, and a business administrator. The nine member board of education is an elected body of the Borough of Wenonah residents.

The District offers a caring, nurturing atmosphere conducive to the student's academic, social, and emotional growth. The District's instructional strategies and processes support the achievement of the New Jersey Core Content Standards for all students. When students complete their elementary education in the District, they will have the foundations needed in their journey to becoming productive, self-sufficient, civic minded citizens of the world. The school district staff, involved parents, and community members are integral to the accomplishment of this goal.

All pre-kindergarten through sixth grade students receive a program designed to enlighten their skills in language arts, math, science, social studies, health/physical education, library, music, foreign language, and computer technology.

Comprehensive special education programs are provided to meet the requirements of the special needs population. Child study team services are provided through a contract with the regional high school district. The goal is to ensure that these students receive an educational program appropriate to their needs.

A gifted and talented pullout program is provided to students in grades kindergarten through six to provide advanced learning opportunities to the gifted student.

A strong basic skills curriculum in reading and math is available for students who are identified based on their standardized test scores and/or teacher recommendation. The District employs basic skills teachers whose purpose is to ensure that the students receive a remedial program appropriate to their needs.

## **2. Economic Condition and Outlook**

The Borough of Wenonah has few available building lots. The population of the town is expected to remain relatively stable. There has been a slight shift in age distribution, due primarily to younger families moving in as older residents leave. Commercial property is minimal. The Borough of Wenonah went through a revaluation in January of 2012 and a reassessment in 2015.

### **3. Major Initiatives**

The District continues to supply an enhanced educational program for our students through the upgrading of our elementary facilities, innovative, educational programs and activities, and a comprehensive curriculum which addresses students' needs from basic skills to enrichment.

#### Literacy and Math

The District continues to utilize sound research based approaches to both our math and literacy programs. Just recently, our kindergarten through second grade language arts curriculums were realigned to the state standards. Our fifth and sixth grades are departmentalized in all subject areas. Basic skills instruction is used to provide individualized instruction to kindergarten through sixth grade students that are experiencing difficulty in learning to read and write on their appropriate grade level. Progressive Math Initiative Math is used in all grades. We recently adopted "Wonders", by McGraw Hill, as our new ELA series in kindergarten through sixth grade.

#### Technology

Technology in Wenonah is viewed as critical to school reform because of its capacity to support improvement in the educational process. Interaction via Chromebooks, Macbooks, and SMART technology in almost every classroom, a school wide wireless network, and research using the internet, leads to problem solving and is revolutionizing the way our students learn. Technology has been integrated into every aspect of our curriculum and in daily lessons helping to keep instruction relevant and standards based. Professional targeted development is provided to our teachers to continually upgrade their skills. The District's facility is equipped with laptop computer carts which help facilitate the ever increasing need to expand on technology.

#### The Arts

The District offers chorus, and beginning and advanced band. Concerts take place semi-annually. There is an annual school play as well as an art show featuring student artwork.

#### Professional Development

The District participates with Gateway curriculum consortium in offering comprehensive professional development opportunities to the staff. A professional development committee, consisting of staff and administrators, meets regularly to assess the needs of the educational community.

### **4. Internal Accounting Controls**

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District's management.

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

## **5. Budgetary Controls**

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2015.

## **6. Accounting System and Reports**

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

## **7. Management's Discussion and Analysis**

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a management's discussion and analysis (MD & A). This letter of transmittal is designed to complement the MD & A and should be read in connection with it. The District's MD & A can be found immediately following the report of the independent auditors.

## **8. Cash Management**

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

## **9. Risk Management**

The Board carries various forms of insurance, including, but not limited to, general liability, hazard and theft insurance on property and contents, and fidelity bonds through the Gloucester, Salem, and Cumberland Joint Insurance Fund. Now, in the fourteenth year of operation, the JIF is performing very well, meeting and exceeding expectations.

## 10. Other Information

### A. Independent Audit

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Petroni and Associates, LLC, are the appointed District auditors. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as amended in 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

## 11. Acknowledgements

We would like to express our appreciation to the members of the Borough of Wenonah School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the District, along with a quality product that fully supports the youngsters of Wenonah, and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office.

Respectfully submitted,



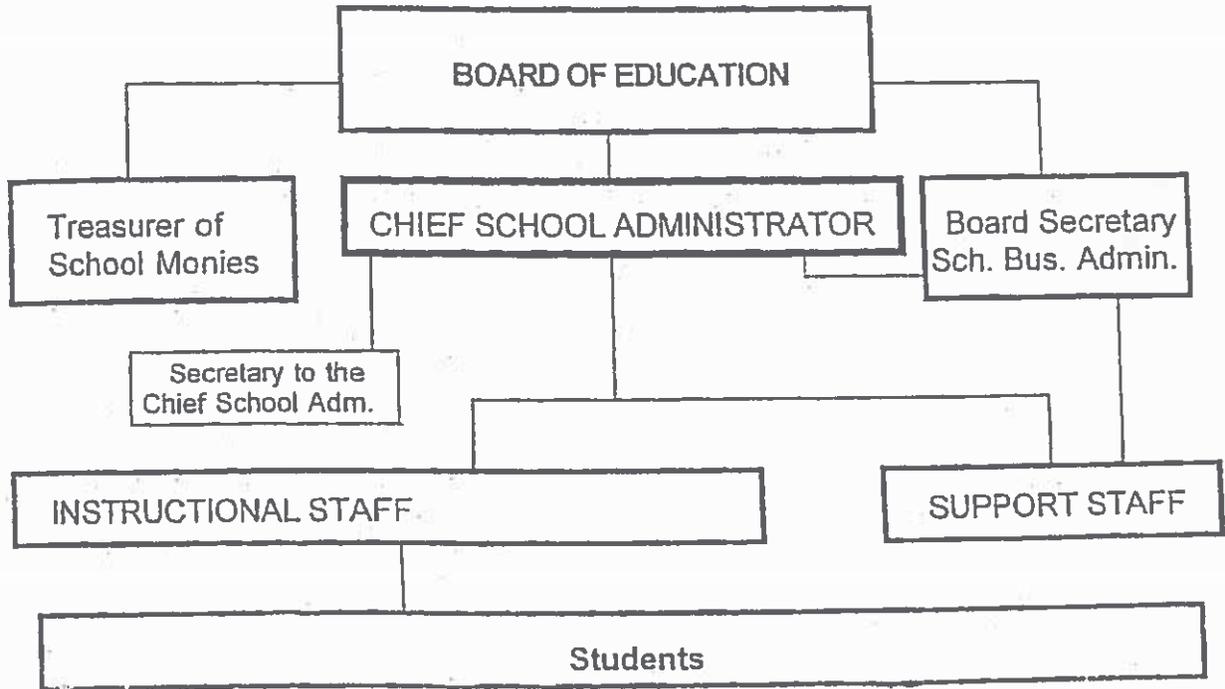
Joseph Corn  
Chief School Administrator



Nancy L. McCabe  
School Business Administrator/Board Secretary

**BOROUGH OF WENONAH BOARD OF EDUCATION  
WENONAH, NEW JERSEY**

**ORGANIZATIONAL CHART  
JUNE 30, 2015**



**BOROUGH OF WENONAH BOARD OF EDUCATION  
WENONAH, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2015**

Term  
Expires

**Members of the Board of Education**

Robert Dugan, President	2015
Louis McCall, Vice President	2017
Michelle Contarino	2015
Alice Sheppard	2015
Cheryl Demo Morris	2016
Chuck Patrick	2016
Christopher Peraino	2016
Wayne Bender	2017
Diana Gehring	2017

**Other Officials**

Joseph Corn, Chief School Administrator  
Nancy L. McCabe, School Business Administrator/Board Secretary  
John Wade, Esquire, Solicitor

**BOROUGH OF WENONAH BOARD OF EDUCATION  
Consultants and Advisors**

***Audit Firm***

Petroni and Associates, LLC  
102 West High Street  
Suite 100  
Glassboro, New Jersey 08028

***Attorney***

John Wade, Esquire  
Wade, Long, Wood & Kennedy  
1250 Chews Landing Road  
Laurel Springs, New Jersey 08021

***Insurance Agent***

Gloucester, Cumberland, Salem School Districts  
Joint Insurance Fund  
c/o Arthur J. Gallagher  
Risk Management Services, Inc.  
Post Office Box 449  
Marlton, New Jersey 08053

***Official Depository***

Cape Bank FSB  
227 Bridgeton Pike  
Mantua, New Jersey 08051

## **Financial Section**

# PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants  
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028  
(856) 881-1600 • Fax (856) 881-6860

MEMBER: AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

Nick L. Petroni, CPA, RMA

Mary A. Carey, RMA  
Wendy G. Fama, CPA  
Denise R. Nevico, CPA  
Deanna L. Roller, CPA, RMA

## INDEPENDENT AUDITOR'S REPORT

Honorable President and  
Members of the Board of Education  
Borough of Wenonah School District  
200 North Clinton Avenue  
Wenonah, New Jersey 08090

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Borough of Wenonah School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Borough of Wenonah Board of Education as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Wenonah Board of Education's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the schedule of state financial assistance as required by NJ OMB Circulars 04-04 and/or 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of*

*States, Local Governments, and Non-Profit Organizations*, and the schedule of state financial assistance as required by NJ OMB Circulars 04-04 and/or 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of state financial assistance as required by NJ OMB Circulars 04-04 and/or 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2015, on our consideration of the Borough of Wenonah Board of Education's internal control over financial reporting and our test 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 internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* in considering Borough of Wenonah Board of Education's internal control over financial reporting and compliance.

PETRONI & ASSOCIATES LLC



Nick L. Petroni  
Certified Public Accountant  
Licensed Public School Accountant #542

November 20, 2015

*Required Supplementary Information - Part I*

**BOROUGH OF WENONAH SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR JUNE 30, 2015**

This section of the Borough of Wenonah School District's (District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended June 30, 2015. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 - Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments issued in June 1999. Certain comparative information between the current year (2014-15) and the prior year (2013-14) is required to be presented in the MD&A.

**Financial Highlights**

Key financial highlights for the 2014-15 fiscal year include the following:

- Net position for governmental activities was \$819,786.50
- Net position for governmental activities decreased by \$619,214.46 from July 1, 2014 to June 30, 2015.
- The general fund, fund balance as of June 30, 2015 was \$161,154.41, a decrease of \$29,184.21 when compared with the beginning balance as of July 1, 2014 of \$190,338.62.

**Overview of the Financial Statements**

The financial section of the annual report consists of four parts - Independent Auditor's Report, Required Supplementary Information which includes the Management's Discussion and Analysis (this section), the Basic Financial Statements, and Supplemental Information. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operation in more detail than the district-wide statements.
- The governmental funds statements tell us how basic services such as regular and special education were financed in short-term as well as what remains for future spending.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Table 1 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the Management's Discussion and Analysis highlights the structure and contents of each of the statements.

**Table 1**  
**Major Features of the District-Wide and Fund Financial Statements**

	District-Wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required Financial Statements	Statement of position	Balance sheet	Statement of fiduciary net position
	Statement of activities	Statement of revenues, expenditures, and changes in fund balances	Statement of changes in fiduciary net position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of Assets/ Liabilities	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

## District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how they have changed. Net position - the difference between the District's assets and liabilities - are a measure of the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether the financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental activities* - Most of the District's basic services are included here, such as regular and special education, transportation, administration, and maintenance. Aid from the State of New Jersey and from the Federal government along with local property taxes finances most of these activities.
- *Business-type activities* - The District may charge fees to customers to help it cover the costs of certain services it provides. The District does not have any business-type activities at this time.

## Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds - focusing on the most significant or "major" funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal funds).

The District has three kinds of funds:

- **Governmental funds** - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.

- . **Proprietary funds** - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. There are no proprietary funds in the District at this time.
- . **Fiduciary funds** - The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

**FINANCIAL ANALYSIS OF THE DISTRICT ASA WHOLE.**

**Net Position.** The District's net position for the fiscal years ended June 30, 2014 and 2015 are reflected in Table 2.

**Table 2  
Net Position**

	2015			2014		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>						
Current and other assets	\$ 195,750.12	\$ 0.00	\$ 195,750.12	\$ 196,749.31	\$ 0.00	\$ 196,749.31
Capital assets, net	2,921,554.50	0.00	2,921,554.50	3,038,398.50	0.00	3,038,398.50
Total assets	<u>3,117,304.62</u>	<u>0.00</u>	<u>3,117,304.62</u>	<u>3,235,147.81</u>	<u>0.00</u>	<u>3,235,147.81</u>
<b>Deferred outflow of resources:</b>						
Deferred outflows related to pension	<u>46,908.00</u>	<u>0.00</u>	<u>46,908.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Liabilities:</b>						
Current and other liabilities	52,515.95	0.00	52,515.95	26,373.43	0.00	26,373.43
<b>Long-term liabilities:</b>						
Due within one year	166,895.33	0.00	166,895.33	150,000.00	0.00	150,000.00
Due in more than one year	1,448,453.84	0.00	1,448,453.84	1,619,773.42	0.00	1,619,773.42
Net pension liability	621,490.00	0.00	621,490.00	0.00	0.00	0.00
Total liabilities	<u>2,289,355.12</u>	<u>0.00</u>	<u>2,289,355.12</u>	<u>1,796,146.85</u>	<u>0.00</u>	<u>1,796,146.85</u>
<b>Deferred inflow of resources:</b>						
Deferred inflows related to pension	<u>55,071.00</u>	<u>0.00</u>	<u>55,071.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net position:</b>						
Net investment in capital assets, net of related debt	1,391,554.50	0.00	1,391,554.50	1,358,398.50	0.00	1,358,398.50
<b>Restricted for:</b>						
Capital projects	18.15	0.00	18.15	18.03	0.00	18.03
Other purposes	14,383.59	0.00	14,383.59	67,900.55	0.00	67,900.55
Unrestricted	<u>(586,169.74)</u>	<u>0.00</u>	<u>(586,169.74)</u>	<u>12,683.88</u>	<u>0.00</u>	<u>12,683.88</u>
Total net position	<u>\$ 819,786.50</u>	<u>\$ 0.00</u>	<u>\$ 819,786.50</u>	<u>\$ 1,439,000.96</u>	<u>\$ 0.00</u>	<u>\$ 1,439,000.96</u>

The District's financial position for governmental and business-type activities is the product of the following factors:

- Program revenues were \$361,582.87 (operating grants and contributions - \$361,582.87 and charges for services - \$0.00).
- General revenues, special items, extraordinary items, and transfers amounted to \$3,249,238.07.
- Net expenditures were \$3,238,544.533.
- Total District revenues and beginning assets are adjusted by net adjusted expenditures resulting in a calculation of net position of \$819,786.50 as of June 30, 2015.
- Revenues (\$3,249,238.07) plus beginning assets (\$1,439,000.96) less net expenditures (\$3,238,544.53) and a prior period adjustment (629,908) equals net position of \$819,786.50.

**Change in Net Position.** Net position for governmental activities decreased from June 30, 2014 to June 30, 2015 as reflected in Table 3.

**Table 3  
Changes in Net Position**

	2015			2014		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Operating grants and contributions	361,582.87	0.00	361,582.87	311,430.05	0.00	311,430.05
General revenues:						
Property taxes	2,691,806.00	0.00	2,691,806.00	2,632,370.00	0.00	2,632,370.00
Grants and entitlements	500,334.00	0.00	500,334.00	498,031.00	0.00	498,031.00
Tuition	48,080.17	0.00	48,080.17	88,421.52	0.00	88,421.52
Miscellaneous	4,593.65	0.00	4,593.65	3,171.48	0.00	3,171.48
Miscellaneous - long-term debt adjustments	4,424.25	0.00	4,424.25	(9,197.21)	0.00	(9,197.21)
<b>Total revenues</b>	<b>3,610,820.94</b>	<b>0.00</b>	<b>3,610,820.94</b>	<b>3,524,226.84</b>	<b>0.00</b>	<b>3,524,226.84</b>
<b>Expenses:</b>						
Program expenses:						
Instruction	2,290,747.96	0.00	2,290,747.96	2,204,206.70	0.00	2,204,206.70
Tuition	3,058.72	0.00	3,058.72	15,315.80	0.00	15,315.80
Student and instruction related services	517,986.65	0.00	517,986.65	420,779.38	0.00	420,779.38
General administration services	249,775.82	0.00	249,775.82	231,300.22	0.00	231,300.22
School administration services	20,551.60	0.00	20,551.60	23,073.72	0.00	23,073.72
Central services	96,425.79	0.00	96,425.79	106,150.10	0.00	106,150.10
Plant operations and maintenance	321,801.85	0.00	321,801.85	287,004.88	0.00	287,004.88
Pupil transportation	32,479.51	0.00	32,479.51	55,765.08	0.00	55,765.08
Unallocated benefits	0.00	0.00	0.00	0.00	0.00	0.00
Unallocated depreciation	15,413.00	0.00	15,413.00	16,351.00	0.00	16,351.00
Interest on long-term debt	51,886.50	0.00	51,886.50	56,928.17	0.00	56,928.17
<b>Total expenses</b>	<b>3,600,127.40</b>	<b>0.00</b>	<b>3,600,127.40</b>	<b>3,416,875.05</b>	<b>0.00</b>	<b>3,416,875.05</b>
<b>Increase (decrease) in net position</b>	<b>\$ 10,693.54</b>	<b>\$ 0.00</b>	<b>\$ 10,693.54</b>	<b>\$ 107,351.79</b>	<b>\$ 0.00</b>	<b>\$ 107,351.79</b>

Total revenues for the District were \$3,610,820.94. Governmental funding was the source of 23.87% of the District's revenues. This includes the State of New Jersey and Federal sources.

Property taxes of \$2,691,806.00 provided 74.55% of revenues.

Other miscellaneous revenues of \$57,098.07 represent 1.58% of the District revenues. Miscellaneous revenue was primarily provided from interest and tuition.

The District's expenses for government activities are predominantly related to instruction and support services. Instruction together with tuition totaled \$2,293,806.68 (63.71%) of total expenditures. Student support services including transportation, exclusive of administration, totaled \$550,466.16 (15.29%) of total expenditures. Plant operations and maintenance totaled \$321,801.85 (8.94%) of total expenditures. Total expenditures did not exceed revenues for governmental activities, increasing net position \$10,693.54 from the beginning balance at July 1, 2014.

### **Activity Descriptions**

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

**Tuition expenses** include the cost to the District to send pupils with special needs living within the District to private schools and/or schools outside the District area.

**Student and instruction related services** include the activities designed to assess and improve the wellbeing of students and to supplement the teaching process.

**School Administrative and General and Business Administrative services** include expenses associated with establishing and administering policy for the District including financial supervision.

**Plant operation and maintenance of plant activities** involve keeping the school grounds, buildings and equipment in a safe and effective working condition.

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

**Unallocated benefits** includes the cost of benefits for the District staff for social security, retirement contributions, worker's compensation, health benefits and other employee benefits.

**Interest on long-term debt** involve the transactions associated with the payment of interest and other related charges to the debt of the District.

### **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

The financial performance of the District as a whole is also reflected in the governmental funds which are accounted for by using the modified accrual basis of accounting. As the District completed the year, its governmental funds reported a combined fund balance of \$161,155.00. At June 30, 2014 the fund balance was \$190,359.21.

All governmental funds had total revenues of \$3,606,396.69 and total expenditures of \$3,635,600.90.

### **GENERAL FUND BUDGETING HIGHLIGHTS**

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

The General Fund includes the primary operations of the District in providing educational services to students from pre-kindergarten through grade 6 including pupil transportation activities and capital outlay projects.

Table 4 presents a summary of Governmental Fund revenues. The summary reflects the dollar and percent increase (decrease) from the prior year.

**Table 4**  
**Comparison of Revenues**

	2015	2014	Increase/ (Decrease)	Percentage Increase/ (Decrease)
<b>Local Sources:</b>				
Local tax levy	\$ 2,691,806.00	\$ 2,632,370.00	\$ 59,436.00	2.26%
Tuition	48,080.17	88,421.52	(40,341.35)	-45.62%
Miscellaneous	8,823.75	3,941.36	4,882.39	123.88%
<b>Government Sources:</b>				
State sources	804,249.77	754,921.16	49,328.61	6.53%
Federal sources	53,437.00	53,770.00	(333.00)	-0.62%
Total	<u>\$ 3,606,396.69</u>	<u>\$ 3,533,424.04</u>	<u>\$ 72,972.65</u>	<u>2.07%</u>

One of the primary sources of funding for the District is received from local property taxes and accounted for 74.64% of the total revenues. State aid accounted for 22.30% of total revenues.

Total governmental fund revenues increased by \$72,972.65, or 2.07% from the previous year. The major component of this increase was primarily the result of an increase in the tax levy and state aid.

There was an increase in property taxes for the general fund of \$48,984.00, which is a 2% increase from the prior year. State law limits the increase in general fund taxes to 2%, plus a minimal amount of adjustments and any banked cap.

Table 5 presents a summary of governmental fund expenditures. The summary reflects the dollar and percent increases (decreases) from the prior year.

**Table 5  
Comparison of Expenditures**

	2015	2014	Increase/ (Decrease)	Percentage Increase/ (Decrease)
Instruction:				
Regular	\$ 1,310,212.76	\$ 1,302,703.03	\$ 7,509.73	0.58%
Special education	211,626.13	278,663.97	(67,037.84)	-24.06%
Other special education	87,529.03	54,653.03	32,876.00	60.15%
Other	19,156.58	16,229.83	2,926.75	18.03%
Support services:				
Tuition	3,058.72	15,315.80	(12,257.08)	-80.03%
Student and instruction related services	449,235.29	362,135.84	87,099.45	24.05%
General administration	195,628.85	179,868.30	15,760.55	8.76%
School administration	16,067.09	14,496.24	1,570.85	10.84%
Central services	78,471.20	74,417.93	4,053.27	5.45%
Plant operations and maintenance	249,800.36	218,585.70	31,214.66	14.28%
Pupil transportation	32,479.51	55,765.08	(23,285.57)	-41.76%
Unallocated benefits	474,470.61	462,850.42	11,620.19	2.51%
TPAF and FICA reimbursements	303,915.77	256,890.16	47,025.61	18.31%
Capital outlay	10,349.00	10,349.00	0.00	0.00%
Debt service	193,600.00	194,100.00	(500.00)	-0.26%
Total	<u>\$ 3,635,600.90</u>	<u>\$ 3,497,024.33</u>	<u>\$ 138,576.57</u>	<u>3.96%</u>

Total governmental fund expenditures increased \$138,576.57 or 4% from the previous year. This increase was primarily due to the payment of the retro pay and the increase in TPAF and FICA reimbursements.

The District values its fund balances as a vehicle for addressing unbudgeted and emergent needs that occur during the school year.

During the course of fiscal year 2015 the District modified the general fund budget as needed to ensure no line items was projected to be overexpended.

**DEBT SERVICE FUND**

The current year obligations for payment of debt service principal and interest amounted to \$193,600.00, of which \$193,580.00 in funding was provided by the local tax levy.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital assets are individual items purchased at a cost exceeding \$2,000.00, have an extended useful life of one year or more and maintain their identity and structure when placed into service.

At the end of 2015, the District had capital assets allocated to governmental activities with a book value of \$2,921,554.50. This consists of a broad range of capital assets, including land, site improvements, buildings and improvements, and equipment. Total depreciation expense for the year was \$116,844.00.

Table 6 summarizes capital assets.

**Table 6  
Capital Assets (Net of Depreciation)  
At June 30, 2015 and 2014**

	2015			2014		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	\$ 29,375.00	\$ 0.00	\$ 29,375.00	\$ 29,375.00	\$ 0.00	\$ 29,375.00
Site improvements	14,209.00	0.00	14,209.00	17,237.00	0.00	17,237.00
Building and improvements	2,855,334.00	0.00	2,855,334.00	2,960,307.00	0.00	2,960,307.00
Machinery and equipment	22,636.50	0.00	22,636.50	31,479.50	0.00	31,479.50
<b>Total</b>	<b>\$ 2,921,554.50</b>	<b>\$ 0.00</b>	<b>\$ 2,921,554.50</b>	<b>\$ 3,038,398.50</b>	<b>\$ 0.00</b>	<b>\$ 3,038,398.50</b>

**Long-Term Obligations**

At year-end, the District had \$1,530,000.00 in general obligation bonds outstanding, a decrease of \$150,000.00 from last year - as shown below.

The District also had a \$85,349.17 liability for compensated absences allocated to governmental activities. This represents the District's contractual obligation to compensate employees for accumulated unused sick leave entitlements upon retirement.

Table 7 summarizes debt outstanding.

**Table 7  
Outstanding Debt  
At June 30, 2015 and 2014**

	2015			2014		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Bonds payable	\$ 1,530,000.00	\$ 0.00	\$ 1,530,000.00	\$ 1,680,000.00	\$ 0.00	\$ 1,680,000.00
Compensated absences	85,349.17	0.00	85,349.17	89,773.42	0.00	89,773.42
<b>Total</b>	<b>\$ 1,615,349.17</b>	<b>\$ 0.00</b>	<b>\$ 1,615,349.17</b>	<b>\$ 1,769,773.42</b>	<b>\$ 0.00</b>	<b>\$ 1,769,773.42</b>

## **For the Future.**

The Borough of Wenonah School District has continued to maintain the highest standards of service to our students, parents, and community, all the while remaining financially efficient. We strive to be a community center and will continue to offer facilities and services that will be a source of pride for our community.

A major concern is the continued increase in the cost of operating the District with minimal increases in state aid, as well as inadequate state aid funding, which causes property taxes to be the major source of revenue for the District. Based on a ranking by the Tax Foundation, New Jersey has the highest property taxes in the nation when calculating property taxes as a percent of median home value. The Borough of Wenonah is primarily a residential community, with very few commercial ratables, thus the financial burden of tax increases is born by the homeowners. The District is very proud of its community support.

Maintenance of the school building is a priority of the District. A building renovation was completed in 2007 which provided a new multi-purpose room, music room, art room, and many renovations to existing areas. In 2010 an existing computer room was renovated to add a pre-school handicapped classroom. As a result, the District does not anticipate any major building projects in the foreseeable future.

In conclusion, the District has committed itself to academic and financial excellence for many years. In addition, the District's system for financial planning, budgeting, and internal financial controls are well regarded. The District plans to continue its sound fiscal management to meet the challenge of the future.

## **Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Nancy L. McCabe, School Business Administrator/Board Secretary, 200 North Clinton Avenue, Wenonah, New Jersey 08090.

*Basic Financial Statements*

*District-Wide Financial Statements*

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2015**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 140,319.50	\$ 0.00	\$ 140,319.50
Receivables, net	55,411.88	0.00	55,411.88
Restricted assets:			
Cash and cash equivalents	0.59	0.00	0.59
Capital reserve account - cash	18.15	0.00	18.15
Capital assets:			
Non-depreciable	29,375.00	0.00	29,375.00
Assets net of depreciation	2,892,179.50	0.00	2,892,179.50
Total assets	<u>3,117,304.62</u>	<u>0.00</u>	<u>3,117,304.62</u>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>			
Deferred outflows related to pension	46,908.00	0.00	46,908.00
<b>LIABILITIES:</b>			
Accrued interest	17,920.83	0.00	17,920.83
Accounts payable	19,162.12	0.00	19,162.12
Unearned revenue	15,433.00	0.00	15,433.00
Noncurrent liabilities:			
Due within one year	166,895.33	0.00	166,895.33
Due beyond one year	1,448,453.84	0.00	1,448,453.84
Net pension liability	621,490.00	0.00	621,490.00
Total liabilities	<u>2,289,355.12</u>	<u>0.00</u>	<u>2,289,355.12</u>
<b>DEFERRED INFLOW OF RESOURCES:</b>			
Deferred inflows related to pension	55,071.00	0.00	55,071.00
<b>NET POSITION:</b>			
Net investment in capital assets, net			
of related debt	1,391,554.50	0.00	1,391,554.50
Restricted for:			
Capital projects	18.15	0.00	18.15
Debt service	0.59	0.00	0.59
Other purposes	14,383.00	0.00	14,383.00
Unrestricted	(586,169.74)	0.00	(586,169.74)
Total net assets	<u>\$ 819,786.50</u>	<u>\$ 0.00</u>	<u>\$ 819,786.50</u>

The accompanying notes to financial statements are an integral part of this statement.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2015**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue And Changes In Net Position		
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
Instruction:							
Regular	\$ 1,890,688.46	\$ 0.00	\$ 240,950.18	\$ 0.00	\$ (1,649,738.28)	\$ 0.00	\$ (1,649,738.28)
Special education	272,819.90	0.00	52,331.58	0.00	(220,488.32)	0.00	(220,488.32)
Other special instruction	103,061.64	0.00	11,222.40	0.00	(91,839.24)	0.00	(91,839.24)
Other instruction	24,177.96	0.00	0.00	0.00	(24,177.96)	0.00	(24,177.96)
Support services:							
Tuition	3,058.72	0.00	0.00	0.00	(3,058.72)	0.00	(3,058.72)
Student and instruction related services	517,986.65	0.00	30,299.59	0.00	(487,687.06)	0.00	(487,687.06)
General administrative services	249,775.82	0.00	24,049.02	0.00	(225,726.80)	0.00	(225,726.80)
School administrative services	20,551.60	0.00	0.00	0.00	(20,551.60)	0.00	(20,551.60)
Central services	96,425.79	0.00	0.00	0.00	(96,425.79)	0.00	(96,425.79)
Plant operations and maintenance	321,801.85	0.00	2,730.10	0.00	(319,071.75)	0.00	(319,071.75)
Pupil transportation	32,479.51	0.00	0.00	0.00	(32,479.51)	0.00	(32,479.51)
Interest on long-term debt	51,886.50	0.00	0.00	0.00	(51,886.50)	0.00	(51,886.50)
Unallocated depreciation	15,413.00	0.00	0.00	0.00	(15,413.00)	0.00	(15,413.00)
Total governmental activities	<u>3,600,127.40</u>	<u>0.00</u>	<u>361,582.87</u>	<u>0.00</u>	<u>(3,238,544.53)</u>	<u>0.00</u>	<u>(3,238,544.53)</u>
<b>Business-type activities:</b>							
Food services	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total primary government	<u>\$ 3,600,127.40</u>	<u>\$ 0.00</u>	<u>\$ 361,582.87</u>	<u>\$ 0.00</u>	<u>(3,238,544.53)</u>	<u>0.00</u>	<u>(3,238,544.53)</u>
<b>General revenues:</b>							
Taxes:							
Property taxes, levied for general purposes, net					2,498,226.00	0.00	2,498,226.00
Taxes levied for debt service					193,580.00	0.00	193,580.00
Federal and state aid not restricted					500,334.00	0.00	500,334.00
Tuition					48,080.17	0.00	48,080.17
Investment earnings					1,900.77	0.00	1,900.77
Miscellaneous income					2,692.88	0.00	2,692.88
Increase/decrease in compensated absences					4,424.25	0.00	4,424.25
Total general revenues, special items, extraordinary items, and transfers					<u>3,249,238.07</u>	<u>0.00</u>	<u>3,249,238.07</u>
Change in net position					<u>10,693.54</u>	<u>0.00</u>	<u>10,693.54</u>
Net position - beginning					1,439,000.96	0.00	1,439,000.96
Prior period adjustment of pension liability					<u>(629,908.00)</u>	<u>0.00</u>	<u>(629,908.00)</u>
Restated net position - beginning					<u>809,092.96</u>	<u>0.00</u>	<u>809,092.96</u>
Net position - ending					<u>\$ 819,786.50</u>	<u>\$ 0.00</u>	<u>\$ 819,786.50</u>

The accompanying notes to financial statements are an integral part of this statement.

*Fund Financial Statements*

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2015**

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 140,319.50	\$ 0.00	\$ 0.59	\$ 140,320.09
Due from other funds	4,902.05	0.00	0.00	4,902.05
Receivables from other governments	7,436.37	16,306.00	0.00	23,742.37
Other accounts receivable	28,104.51	1,500.00	0.00	29,604.51
Deposits	15.00	0.00	0.00	15.00
Restricted cash and cash equivalents	18.15	0.00	0.00	18.15
	<u>180,795.58</u>	<u>17,806.00</u>	<u>0.59</u>	<u>198,602.17</u>
Total assets	<u>\$ 180,795.58</u>	<u>\$ 17,806.00</u>	<u>\$ 0.59</u>	<u>\$ 198,602.17</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 4,208.17	\$ 14,953.95	\$ 0.00	\$ 19,162.12
Interfunds payable	0.00	2,852.05	0.00	2,852.05
Unearned revenue	15,433.00	0.00	0.00	15,433.00
	<u>19,641.17</u>	<u>17,806.00</u>	<u>0.00</u>	<u>37,447.17</u>
Total liabilities	<u>19,641.17</u>	<u>17,806.00</u>	<u>0.00</u>	<u>37,447.17</u>
<b>Fund balances:</b>				
<b>Restricted for:</b>				
Capital reserve account	18.15	0.00	0.00	18.15
<b>Assigned:</b>				
Debt service fund	0.00	0.00	0.59	0.59
Other purposes	14,383.00	0.00	0.00	14,383.00
<b>Unassigned:</b>				
General fund	146,753.26	0.00	0.00	146,753.26
	<u>161,154.41</u>	<u>0.00</u>	<u>0.59</u>	<u>161,155.00</u>
Total fund balances	<u>161,154.41</u>	<u>0.00</u>	<u>0.59</u>	<u>161,155.00</u>
Total liabilities and fund balances	<u>\$ 180,795.58</u>	<u>\$ 17,806.00</u>	<u>\$ 0.59</u>	
 Amounts reported for governmental activities in the statement of net position (A-1) are different because:				
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$4,988,353.50 and the accumulated depreciation is \$2,066,799.00.				2,921,554.50
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)				(1,615,349.17)
Interest on long-term debt in the statement of activities is accrued, regardless of when due				(17,920.83)
Net pension liability adjustment				255.00
The cumulative effect of the change in accounting principles for adoption of GASB Statement No. 68 is reported as a prior period adjustment of pension liability (See Note 2)				<u>(629,908.00)</u>
				<u>\$ 819,786.50</u>

The accompanying notes to financial statements are an integral part of this statement.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**June 30, 2015**

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>				
Local sources:				
Local tax levy	\$ 2,498,226.00	\$ 0.00	\$ 193,580.00	\$ 2,691,806.00
Tuition	48,080.17	0.00	0.00	48,080.17
Interest earned on capital reserve	0.12	0.00	0.00	0.12
Miscellaneous	4,593.53	4,230.10	0.00	8,823.63
Total local sources	2,550,899.82	4,230.10	193,580.00	2,748,709.92
State sources	804,249.77	0.00	0.00	804,249.77
Federal sources	0.00	53,437.00	0.00	53,437.00
Total revenues	3,355,149.59	57,667.10	193,580.00	3,606,396.69
<b>EXPENDITURES:</b>				
Current:				
Regular instruction	1,310,212.76	0.00	0.00	1,310,212.76
Special education instruction	170,263.13	41,363.00	0.00	211,626.13
Other special instruction	87,529.03	0.00	0.00	87,529.03
Other instruction	19,156.58	0.00	0.00	19,156.58
Support services and undistributed costs:				
Tuition	3,058.72	0.00	0.00	3,058.72
Student and instruction related services	435,661.29	13,574.00	0.00	449,235.29
General administrative services	195,628.85	0.00	0.00	195,628.85
School administrative services	16,067.09	0.00	0.00	16,067.09
Central services	78,471.20	0.00	0.00	78,471.20
Plant operations and maintenance	247,070.26	2,730.10	0.00	249,800.36
Pupil transportation	32,479.51	0.00	0.00	32,479.51
Employee benefits	778,386.38	0.00	0.00	778,386.38
Debt service:				
Principal	0.00	0.00	150,000.00	150,000.00
Interest and other charges	0.00	0.00	43,600.00	43,600.00
Capital outlay	10,349.00	0.00	0.00	10,349.00
Total expenditures	3,384,333.80	57,667.10	193,600.00	3,635,600.90
Excess (deficiency) of revenues over (under) expenditures	(29,184.21)	0.00	(20.00)	(29,204.21)
Net change in fund balances	(29,184.21)	0.00	(20.00)	(29,204.21)
Fund balance - July 1	190,338.62	0.00	20.59	190,359.21
Fund balance - June 30	\$ 161,154.41	\$ 0.00	\$ 0.59	\$ 161,155.00

The accompanying notes to financial statements are an integral part of this statement.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
 Reconciliation of the Statement of Revenues, Expenditures, and  
 Changes in Fund Balances of Governmental Funds  
 For the Fiscal Year Ended June 30, 2015**

Total net change in fund balances - governmental funds (from B-2)	\$ (29,204.21)
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>	
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>	
Depreciation expense	(116,844.00)
<p>Repayment of bond principal 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>	
Bond principal	150,000.00
<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>	
	4,424.25
<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>	
	2,062.50
<p>Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments</p>	
	255.00
Change in net assets of governmental activities	\$ 10,693.54

The accompanying notes to financial statements are an integral part of this statement.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2015**

	Unemployment Compensation Trust Fund	Agency Fund
	<u>                    </u>	<u>                    </u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 32,943.58	\$ 17,904.56
Deposits held by the State of New Jersey	167.55	0.00
	<u>                    </u>	<u>                    </u>
Total assets	<u>33,111.13</u>	<u>17,904.56</u>
<b>LIABILITIES:</b>		
Interfund accounts payable	0.00	2,050.00
Payroll deductions and withholdings	0.00	1,224.00
Due to student groups	0.00	14,630.56
	<u>                    </u>	<u>                    </u>
Total liabilities	<u>0.00</u>	<u>\$ 17,904.56</u>
<b>NET ASSETS:</b>		
Held in trust for unemployment claims and other purposes	<u>\$ 33,111.13</u>	

The accompanying notes to financial statements are an integral part of this statement.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2015**

	<u>Unemployment Compensation Trust Fund</u>
ADDITIONS:	
Contributions:	
Plan member	\$ 4,329.83
Deposits held by the State of New Jersey	167.55
Investment earnings:	
Interest earned	113.62
Total additions	4,611.00
OPERATING EXPENSES:	
Catastrophic Illness Fund	120.00
Total deductions	120.00
Change in net position	4,491.00
Net position - beginning of year	28,620.13
Net position - end of year	\$ 33,111.13

The accompanying notes to financial statements are an integral part of this statement.

*Notes To The Financial Statements*

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Board of Education (Board) of Borough of Wenonah 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. The more significant of the Board's accounting policies are described below.

**A. Reporting Entity/Component Units**

The Borough of Wenonah School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The Board is comprised of 9 members elected to three-year terms. The purpose of the District is to educate students in grades Pre-K – 6 at the District's one school. The District had an approximate enrollment at June 30, 2015 of 209 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 the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the District over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The District has determined that there are no component units.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Government-Wide and Fund Financial Statements (Concluded)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Fund Accounting**

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn is divided into separate “fund types” as follows:

*Governmental Funds*

General Fund - The 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. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Generally accepted accounting principles, as they pertain to governmental entities, state that the general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Fund Accounting (Continued)**

*Governmental Funds (Concluded)*

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes, and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings, and the purchase of built-in equipment. These resources can be transferred from and to current expense by board resolution.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government (other than major capital projects, debt service, or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). 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.

Debt Service Fund - The debt service fund is 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.

*Proprietary Funds*

The focus of proprietary fund measurement is upon determination of net income, 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.

The District does not have any proprietary funds at this time.

*Fiduciary Funds*

Fiduciary funds include private purpose trust funds and agency funds. These funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Fund Accounting (Concluded)**

*Fiduciary Funds (Concluded)*

The District reports the following fiduciary funds:

Private Purpose Trust Funds - The private purpose trust fund consists of an expendable trust fund. The expendable trust fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. The expendable trust fund accounts for assets where both the principal and interest may be spent. The expendable trust fund includes the unemployment compensation insurance fund.

Agency Funds - The agency funds are used to account for the assets that the District holds on behalf of others as their agent. The agency funds are custodial in nature and do not involve measurement of results of operations. The agency funds include payroll, payroll agency, and student activities funds.

**D. Measurement Focus**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the statement of net position.

For the fund financial statements, all governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation, with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

For fund financial statements, all governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds, like the government-wide financial statements, use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and the presentation of expenses versus expenditures.

**Recognition of Revenue** - Revenue resulting from exchange transactions, which are defined as transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. For the governmental fund financial statements, which are prepared on the modified accrual basis, however, such revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days after fiscal year end.

Revenue resulting from non-exchange transactions, which are defined as transactions in which the District receives value without directly giving equal value in return, includes Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (property) taxes are susceptible to accrual. As under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or 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. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of the restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Restricted formula aids, if any, are recorded in the special revenue fund in accordance with The Audit Program promulgated by the New Jersey Department of Education, which requires that these grants be realized in an amount equal to program expenditures.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: tuition, grants, fees, and rentals.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Basis of Accounting (Concluded)**

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement focus of governmental fund financial statements is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**F. 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. 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. 6:20-2A.2(m)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund 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.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3 includes all amendments to the adopted budget, if any.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Budgets/Budgetary Control (Concluded)**

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the District does not report encumbrances outstanding at fiscal year end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the revenue recognition policy for the one or more June state aid payments.

**G. Encumbrances**

Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities, but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

**H. Cash, Cash Equivalents, and Investments**

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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Cash, Cash Equivalents, and Investments (Concluded)**

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.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the 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.

**I. 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.

**J. Tuition Payable**

Tuition charges for the fiscal years 2014-15 and 2013-14 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**K. Inventories**

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2014.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (non-allocation method). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

**M. Short-Term Interfund Receivables/Payables**

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods and services rendered to/from a particular fund in the District and that are due within one year. These amounts are eliminated in the government-wide financial statements, except for the net residual amounts due between governmental and business-type activities, which are presented as interfunds receivable and/or interfunds payable on the statement of net position.

**N. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The District maintains a capitalization threshold of \$2,000.00. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

- Site improvements - 15-20 years
- Buildings and improvements - 10-50 years
- Machinery and equipment - 5-20 years

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**O. 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 recorded for in the period in which such services are rendered or in which such events take place.

The entire compensated absence liability is reported on the government-wide financial statements. In accordance with G.A.A.P., for the governmental funds, in the fund financial statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represent a reconciling item between the fund level and district-wide presentations.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary-related payments for the employer's share of social security and medicare taxes are included.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources.

**P. Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

**Q. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the governmental fund financial statements when due.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**R. Net Position**

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purchases for which both restricted and unrestricted net position are available.

**S. Fund Balance**

The District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The District's classifications, and policies for determining such classifications, are as follows:

*Nonspendable*

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

*Restricted*

The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

*Committed*

The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority, which, for the District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**S. Fund Balance (Concluded)**

*Assigned*

The assigned fund balance classification includes amounts that are constrained by the District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education.

*Unassigned*

The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the District to spend restricted fund balance first. Moreover, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

**T. Use of Estimates**

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

**U. Recent Accounting Pronouncements Not Yet Effective**

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72 "Fair Value Measurement and Application." This statement, which is effective for fiscal periods beginning after June 15, 2015, will not have any effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 73 "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68." This statement, which is effective for fiscal periods beginning after June 15, 2016, is anticipated to have an effect on the District's financial reporting.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**U. Recent Accounting Pronouncements Not Yet Effective (continued)**

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74 “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.” This statement, which is effective for fiscal periods beginning after June 15, 2016, is anticipated to have an effect on the District’s financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75 “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” This statement, which is effective for fiscal periods beginning after June 15, 2017, is anticipated to have an effect on the District’s financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 76 “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.” This statement, which is effective for fiscal periods beginning after June 15, 2015, will not have any effect on the District’s financial reporting.

**NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE**

During the year beginning July 1, 2015, the District adopted the Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions,” and Statement No. 71 “Pension Transition for Contributions Made Subsequent to the Measurement Date” whose primary objectives ate to improve accounting and financial reporting for pensions. These statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures for pension. The effect of this change was to decrease fiscal year ended June 30, 2015, net position by \$629,908 which is the prior period adjustment of net pension liability. Financial statements for the fiscal year ended June 30, 2014, have not been restated, and the cumulative effect of the change totaling \$629,908, is shown as a one-time debit to net position in the fiscal year ended June 30, 2015, statement of activities.

**NOTE 3 - CASH AND CASH EQUIVALENTS**

*Custodial Credit Risk Related to Deposits*

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. Although the District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the District relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)**

As of June 30, 2015, the District's bank balances were exposed to custodial credit risk as follows:

Insurance	\$	250,000.00
Uninsured and collateralized with securities held by pledging financial institutions		<u>65,169.80</u>
	\$	<u>315,169.80</u>

**NOTE 4 - CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Board of Education by inclusion of \$1.00 in the 2000-01 capital outlay budget, which was certified for taxes and for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (July 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the excess approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2014 to June 30, 2015 fiscal year is as follows:

Adjusted beginning balance, July 1, 2014	\$	18.03
Interest earnings		<u>0.12</u>
Ending balance, June 30, 2015	\$	<u>18.15</u>

The June 30, 2015 LRFP balance of local support costs of uncompleted capital projects at June 30, 2015 is \$508,500.00.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 5 - ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2015 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year-end for the District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Total
State	\$ 7,436.37	\$ -	\$ 7,436.37
Federal	-	16,306.00	16,306.00
Other	28,104.51	1,500.00	29,604.51
<b>Total</b>	<b>\$ 35,540.88</b>	<b>\$ 17,806.00</b>	<b>\$ 53,346.88</b>

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2015 was as follows:

	Balance as of June 30, 2014	Additions	Disposals	Adjustments	Balance as of June 30, 2015
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 29,375.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 29,375.00
Total capital assets, not being depreciated	<u>29,375.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>29,375.00</u>
Capital assets, being depreciated:					
Site improvements	71,391.00	0.00	0.00	0.00	71,391.00
Building and improvements	4,403,616.00	0.00	0.00	0.00	4,403,616.00
Equipment	483,971.50	0.00	0.00	0.00	483,971.50
Total at historical cost	<u>4,958,978.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,958,978.50</u>
Less accumulated depreciation:					
Site improvements	(54,153.00)	(3,028.00)	0.00	(1.00)	(57,182.00)
Building and improvements	(1,443,309.00)	(104,973.00)	0.00	0.00	(1,548,282.00)
Equipment	(452,492.00)	(8,843.00)	0.00	0.00	(461,335.00)
Total accumulated depreciation	<u>(1,949,954.00)</u>	<u>(116,844.00)</u>	<u>0.00</u>	<u>(1.00)</u>	<u>(2,066,799.00)</u>
Total capital assets, being depreciated, net	<u>3,009,024.50</u>	<u>(116,844.00)</u>	<u>0.00</u>	<u>(1.00)</u>	<u>2,892,179.50</u>
Governmental activities capital assets, net	<u>\$ 3,038,399.50</u>	<u>\$ (116,844.00)</u>	<u>\$ 0.00</u>	<u>\$ (1.00)</u>	<u>\$ 2,921,554.50</u>
Business-type activities:					
Capital assets, being depreciated:					
Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Less accumulated depreciation	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Business-type activities capital assets, net	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>

Depreciation expense in the amount of \$116,844.00 was charged to governmental functions as follows:

Regular instruction	\$ 55,229.00
Special education	4,669.00
Other special instruction	1,365.00
Other instruction	3,471.00
Student and instruction related services	7,261.00
General administrative services	759.00
School administrative services	780.00
Central services	1,031.00
Plant operations and maintenance	26,866.00
Unallocated	<u>15,413.00</u>
Total depreciation expense	<u>\$ 116,844.00</u>

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 7 - GENERAL LONG-TERM DEBT**

During the fiscal year ended June 30, 2015, the following changes occurred in liabilities reported in the general long-term debt account group:

	Principal Outstanding June 30, 2014	Additions	Reductions	Principal Outstanding June 30, 2015	Amounts Due Within One Year
Roofing and HVAC project general obligation bonds	\$ 1,680,000.00	\$ 0.00	\$ 150,000.00	\$ 1,530,000.00	\$ 155,000.00
Compensated absences payable	<u>89,773.42</u>	<u>6,330.36</u>	<u>10,754.61</u>	<u>85,349.17</u>	<u>11,895.33</u>
Total	<u>\$ 1,769,773.42</u>	<u>\$ 6,330.36</u>	<u>\$ 160,754.61</u>	<u>\$ 1,615,349.17</u>	<u>\$ 166,895.33</u>

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 7 - GENERAL LONG-TERM DEBT (Concluded)**

**A. Bonds Payable**

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

On December 15, 2012, the District issued \$1,720,000.00 in general obligation bonds to refund the prior school bond issue. These bonds carry interest rates ranging from 2.00% to 3.00% and mature in 2024.

Principal and interest due on serial bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 155,000.00	\$ 39,100.00	\$ 194,100.00
2017	155,000.00	34,450.00	189,450.00
2018	165,000.00	29,800.00	194,800.00
2019	170,000.00	26,500.00	196,500.00
2020	170,000.00	23,100.00	193,100.00
2021-2024	<u>715,000.00</u>	<u>51,950.00</u>	<u>766,950.00</u>
	<u>\$ 1,530,000.00</u>	<u>\$ 204,900.00</u>	<u>\$ 1,734,900.00</u>

**B. Bonds Authorized But Not Issued**

As of June 30, 2015, the Board had no authorized but not issued bonds.

**C. Compensated Absences**

Compensated absences will be paid from the fund from which the employees' salaries are paid.

**D. Capital Leases Payable**

As of June 30, 2015, the District had no capital leases outstanding.

**E. Interest Expense**

No interest expense was capitalized during the fiscal year ending June 30, 2015. Interest expense totaling \$43,600.00 was paid by the debt service fund for the fiscal year ending June 30, 2015.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 8 - OPERATING LEASES**

The District renegotiated the prior copier lease for a commitment to lease three copiers under a new 60 month operating lease beginning May 5, 2015. Total operating lease expenditures for the year ended June 30, 2015 were \$3,393.33. Future minimum lease payments are as follows:

Year Ending June 30	Amount
2016	\$ 6,588.72
2017	6,588.72
2018	6,588.72
2019	6,588.72
2020	6,039.66
Total future minimum lease payments	\$ 32,394.54

**NOTE 9 - PENSION PLANS**

**Description of Plans**

Substantially all of the District's employees participate in one of the following pension plans which have been established by state statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), or the Defined Contribution Retirement Program (DCRP). The TPAF and PERS are defined benefit pension plans while the DCRP is a defined contribution pension plan. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, Post Office Box 295, Trenton, New Jersey 08625-0295.

*Teachers' Pension and Annuity Fund (TPAF)*

The Teachers' Pension and Annuity Fund is a cost-sharing contributory defined benefit pension plan which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 9 - PENSION PLANS (Continued)**

*Teachers' Pension and Annuity Fund (TPAF) (Concluded)*

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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 the several preceding fiscal years.

*Public Employees' Retirement System (PERS)*

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the PERS were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011 the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The District is billed annually for its normal contribution plus any accrued liability.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 9 - PENSION PLANS (Continued)**

The District's contributions to the PERS, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Normal Contribution	Non- Accrued Liability	Contributory Life	Total Liability	Paid By District
2015	\$ 4,556.00	\$ 21,073.00	\$ 1,736.00	\$ 27,365.00	\$ 27,365.00
2014	7,645.00	17,776.00	432.00	25,853.00	25,853.00
2013	7,323.00	17,509.00	1,478.00	26,310.00	26,310.00

For the year ended June 30, 2015, The District recognized pension expense of \$27,110. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 19,543	
Net difference between projected and actual earning on pension plan investments		\$ 37,037
Changes in proportion and differences between District contributions and proportionate share of contributions		18,034
Employer contributions subsequent to the measurement date	27,365	
	<u>\$ 46,908</u>	<u>\$ 55,071</u>

\$27,365 reported as deferred outflows of resources related to pensions resulting from school district project contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2016	\$ (8,982)
2017	(8,982)
2018	(8,982)
2019	(8,983)
2020	277
Thereafter	124
	<u>\$ (35,528)</u>

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 9 - PENSION PLANS (Concluded)**

Additional Information – Collective balances at June 30, 2013 and 2014, are as follows:

	<u>June 30, 2013</u>	<u>June 30, 2014</u>
Collective deferred outflows of resources		\$ 952,194,675
Collective deferred inflows of resources		1,479,224,662
Collective net pension liability	<u>\$ 19,111,986,911</u>	<u>18,722,735,003</u>
District's proportion	0.0034311481%	0.0033194419%

*Defined Contribution Retirement Program (DCRP)*

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life Insurance and disability coverage. Vesting and benefit provisions are established by N.J.SA 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The employee contributions along with the District's contribution of 3% for each pay are transmitted to Prudential Financial.

The District's contributions to the DCRP were as follows:

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Paid By District</u>
2015	\$ 9,902.68	\$ 9,902.68
2014	8,718.61	8,718.61
2013	5,971.84	5,971.84

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 10 - POST-RETIREMENT BENEFITS**

P.L. 1987, c. 384 and P.L. 1990, c. 6 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c. 62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c. 126, which provides employer paid health benefits to member of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in fiscal year 2014.

**NOTE 11 - ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2015, the District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were \$75,019.00 and \$119,094.00, respectively.

**NOTE 12 - COMPENSATED ABSENCES**

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

Twelve-month professional employees, custodians, and support staff are eligible for vacation based on contract schedules with a maximum of twenty days in a fiscal year. Vacation days may be carried over according to the contracts.

By contract and state statute (N.J.S.A. 18A:30-3), instructional employees may accrue sick time. The contracts provide that upon retirement with fifteen years or more of service, an employee is eligible to receive a reimbursement of \$50 per day for their unused, accumulated sick leave days, to a maximum of \$15,000. Non-instructional employees may accumulate all unused sick leave days.

In the district-wide Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components - the amount due within one year and the amount due in more than one year.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 13 - DEFERRED COMPENSATION**

The Board offers its employees a choice of various deferred compensation plans 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 Investments  
AXA Equitable Insurance

**NOTE 14 - 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.

The District participates in the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSDJIF), public entity risk pool. Coverage under this joint plan offers workers' compensation, boiler and machinery, automobile liability, general liability, property, crime, school board legal liability, and pollution legal liability coverage. The District is assessed for the contributions for those funds and is responsible for any reserve deficiencies. No contingency provision has been made in these financial statements as no deficiencies occurred as of June 30, 2015 for the joint insurance pool. As of June 30, 2014, the fund had a projected surplus of \$2,093,322.00 of which the District has a proportionate share in the amount of \$21,439.00.

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

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2014-2015	\$ 113.62	\$ 4,493.33	\$ 120.00	\$ 33,111.13
2013-2014	110.60	3,886.83	1,468.16	28,624.18
2012-2013	180.29	6,328.69	2,684.62	26,094.91

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 15 - INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances existed at June 30, 2015:

Fund	Interfund Receivable	Interfund Payable
General fund	\$ 4,902.05	\$ -
Special revenue fund	-	2,852.05
Trust and agency fund	-	2,050.00
	\$ 4,902.05	\$ 4,902.05

All interfunds were created as a result of short-term borrowings to cover cash flow needs in the various funds. These interfunds are expected to be liquidated within the next fiscal cycle. The fund financial interfunds were eliminated in the governmental-wide statements.

**NOTE 16 - FUND BALANCE APPROPRIATED**

The District has classified its fund balances with the following hierarchy:

*Nonspendable*

The District does not have any nonspendable funds.

*Spendable*

The District has classified the spendable fund balances as Restricted, Assigned, and Unassigned and considered each to have been spent when expenditures are incurred. The District currently has no funds classified as Committed.

*Restricted*

Capital Reserve - As of June 30, 2015, the balance in the capital reserve account is \$18.15 which is restricted for future capital outlay expenditures for capital projects in the District's approved Long Range Facilities Plan.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 16 - FUND BALANCE APPROPRIATED (Concluded)**

*Assigned*

Designated by the Board of Education for subsequent year's expenditures - The District has appropriated and included as anticipated revenue for the fiscal year ending June 30, 2015 \$0.00 of general fund balance and \$0.00 of debt service fund balance at June 30, 2015.

Other purposes - As of June 30, 2015, the District had \$14,383.00 of encumbrances outstanding for purchase orders and contracts signed by the District, but not completed, as of the close of the fiscal year.

*Unassigned*

This is the remainder of the District's equity in the governmental fund types. The total balance is \$146,753.26 as of June 30, 2015, which is completely in the general fund.

**NOTE 17 - CALCULATION OF EXCESS SURPLUS**

The designation for reserved fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2015 is \$0.00. The excess fund balance at June 30, 2014 was \$0.00.

**NOTE 18 - CONTINGENT LIABILITIES**

The Board is not involved in any claims or lawsuits incidental to its operations that will, in the opinion of the administration and legal counsel, have a material adverse effect on the financial position of the District.

**NOTE 19 - SUBSEQUENT EVENTS**

Subsequent events were evaluated through November 20, 2015, the date which the financial statements were available to be issued.

***Required Supplementary Information - Part II***

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 2,498,226.00	\$ 0.00	\$ 2,498,226.00	\$ 2,498,226.00	\$ 0.00
Tuition - In State LEA	38,112.00	0.00	38,112.00	48,080.17	9,968.17
Interest earned on capital reserve funds	0.00	0.00	0.00	0.12	0.12
Unrestricted miscellaneous revenues	4,000.00	0.00	4,000.00	4,593.53	593.53
<b>Total local sources</b>	<b>2,540,338.00</b>	<b>0.00</b>	<b>2,540,338.00</b>	<b>2,550,899.82</b>	<b>10,561.82</b>
State sources:					
Equalization aid	348,977.00	0.00	348,977.00	348,977.00	0.00
Categorical special education aid	140,582.00	0.00	140,582.00	140,582.00	0.00
Categorical security aid	3,555.00	0.00	3,555.00	3,555.00	0.00
Categorical transportation aid	1,070.00	0.00	1,070.00	1,070.00	0.00
Other state aids	4,500.00	0.00	4,500.00	6,588.00	2,088.00
TPAF (on-behalf - non-budgeted)	0.00	0.00	0.00	75,019.00	75,019.00
TPAF - Post retirement medical (on-behalf - non-budgeted)	0.00	0.00	0.00	119,094.00	119,094.00
Reimbursed T.P.A.F. social security contributions (non-budgeted)	0.00	0.00	0.00	109,802.77	109,802.77
<b>Total state sources</b>	<b>498,684.00</b>	<b>0.00</b>	<b>498,684.00</b>	<b>804,687.77</b>	<b>306,003.77</b>
<b>Total revenues</b>	<b>3,039,022.00</b>	<b>0.00</b>	<b>3,039,022.00</b>	<b>3,355,587.59</b>	<b>316,565.59</b>

**EXHIBIT C-1  
(Continued)**

**BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular programs - instruction:					
Salaries of teachers:					
Kindergarten	\$ 158,609.00	\$ (10,237.20)	\$ 148,371.80	\$ 148,371.80	\$ 0.00
Grades 1-5	896,938.00	8,751.05	905,689.05	905,689.05	0.00
Grades 6-8	173,946.00	(3,514.26)	170,431.74	170,431.74	0.00
Home instruction:					
Salaries of teachers	410.00	(410.00)	0.00	0.00	0.00
Regular programs - undistributed instruction:					
Purchased professional-educational services	7,245.00	(875.49)	6,369.51	6,369.51	0.00
Other purchased services	37,755.00	(24,583.13)	13,171.87	9,971.87	3,200.00
General supplies	45,000.00	32,285.05	77,285.05	65,448.69	11,836.36
Textbooks	5,000.00	(5,000.00)	0.00	0.00	0.00
Other objects	4,972.00	(1,041.90)	3,930.10	3,930.10	0.00
Total regular programs	<u>1,329,875.00</u>	<u>(4,625.88)</u>	<u>1,325,249.12</u>	<u>1,310,212.76</u>	<u>15,036.36</u>
Resource room/resource center:					
Salaries of teachers	95,426.00	10,881.85	106,307.85	106,307.85	0.00
Other salaries for instruction	97,766.00	(77,840.68)	19,925.32	19,925.32	0.00
General supplies	1,000.00	1,267.79	2,267.79	722.77	1,545.02
Total resource room/resource center	<u>194,192.00</u>	<u>(65,691.04)</u>	<u>128,500.96</u>	<u>126,955.94</u>	<u>1,545.02</u>

**EXHIBIT C-1  
(Continued)**

**BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Preschool disabilities - part time:					
Salaries of teachers	\$ 31,399.00	\$ 337.19	\$ 31,736.19	\$ 31,736.19	\$ 0.00
Other salaries for instruction	25,552.00	(14,407.67)	11,144.33	11,144.33	0.00
General supplies	600.00	1,224.75	1,824.75	376.97	1,447.78
Total preschool disabilities - part time	<u>57,551.00</u>	<u>(12,845.73)</u>	<u>44,705.27</u>	<u>43,257.49</u>	<u>1,447.78</u>
Home instruction:					
Salaries of teachers	500.00	(450.30)	49.70	49.70	0.00
Total home instruction	<u>500.00</u>	<u>(450.30)</u>	<u>49.70</u>	<u>49.70</u>	<u>0.00</u>
Total special education	<u>252,243.00</u>	<u>(78,987.07)</u>	<u>173,255.93</u>	<u>170,263.13</u>	<u>2,992.80</u>
Basic skills/remedial - instruction:					
Salaries of teachers	55,583.00	28,074.96	83,657.96	83,657.96	0.00
General supplies	750.00	3,537.52	4,287.52	3,871.07	416.45
Total basic skills/remedial - instruction	<u>56,333.00</u>	<u>31,612.48</u>	<u>87,945.48</u>	<u>87,529.03</u>	<u>416.45</u>
School sponsored cocurricular/extracurricular activities - instruction:					
Salaries	9,468.00	1,071.63	10,539.63	10,539.63	0.00
Supplies and materials	1,000.00	0.00	1,000.00	93.59	906.41
Other objects	900.00	(241.50)	658.50	658.50	0.00
Total school sponsored cocurricular/extracurricular activities - instruction	<u>11,368.00</u>	<u>830.13</u>	<u>12,198.13</u>	<u>11,291.72</u>	<u>906.41</u>
Before/after school programs - instruction:					
Salaries of teacher tutors	300.00	(300.00)	0.00	0.00	0.00
Total before/after school programs - instruction	<u>300.00</u>	<u>(300.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

**EXHIBIT C-1  
(Continued)**

**BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Summer school - instruction:					
Salaries of teachers	\$ 3,202.00	\$ (89.02)	\$ 3,112.98	\$ 3,112.98	\$ 0.00
Other salaries for instruction	659.00	(659.00)	0.00	0.00	0.00
Salaries of teacher tutors	1,500.00	2,501.88	4,001.88	4,001.88	0.00
Total summer school - instruction	<u>5,361.00</u>	<u>1,753.86</u>	<u>7,114.86</u>	<u>7,114.86</u>	<u>0.00</u>
Summer school - support services:					
Salaries	1,024.00	(274.00)	750.00	750.00	0.00
Total summer school - support services	<u>1,024.00</u>	<u>(274.00)</u>	<u>750.00</u>	<u>750.00</u>	<u>0.00</u>
Total summer school	<u>6,385.00</u>	<u>1,479.86</u>	<u>7,864.86</u>	<u>7,864.86</u>	<u>0.00</u>
 Total instruction	 <u>326,629.00</u>	 <u>(45,364.60)</u>	 <u>281,264.40</u>	 <u>276,948.74</u>	 <u>4,315.66</u>
 Undistributed expenditures:					
Instruction:					
Tuition - private schools/disabled within state	6,394.00	(6,394.00)	0.00	0.00	0.00
Tuition - other	4,400.00	6,394.00	10,794.00	3,058.72	7,735.28
Total instruction	<u>10,794.00</u>	<u>0.00</u>	<u>10,794.00</u>	<u>3,058.72</u>	<u>7,735.28</u>
 Attendance and social work services:					
Salaries	12,040.00	0.08	12,040.08	12,040.08	0.00
Purchased professional and technical services	5,100.00	(100.00)	5,000.00	5,000.00	0.00
General supplies	0.00	132.05	132.05	0.00	132.05
Total attendance and social work services	<u>17,140.00</u>	<u>32.13</u>	<u>17,172.13</u>	<u>17,040.08</u>	<u>132.05</u>

EXHIBIT C-1  
(Continued)

BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Health services:					
Salaries	\$ 52,146.00	\$ 330.73	\$ 52,476.73	\$ 52,476.73	\$ 0.00
Purchased professional and technical services	2,080.00	(55.00)	2,025.00	2,025.00	0.00
Miscellaneous purchased services	0.00	57.95	57.95	57.95	0.00
Other purchased services	300.00	(300.00)	0.00	0.00	0.00
Supplies and materials	3,000.00	543.37	3,543.37	2,956.13	587.24
Total health services	57,526.00	577.05	58,103.05	57,515.81	587.24
Speech OT, PT and related services:					
Salaries	31,792.00	(1,385.00)	30,407.00	30,407.00	0.00
Purchased professional educational services	52,776.00	(22,549.95)	30,226.05	30,226.05	0.00
Supplies and materials	400.00	13,550.77	13,950.77	428.01	13,522.76
Total speech OT, PT and related services	84,968.00	(10,384.18)	74,583.82	61,061.06	13,522.76
Other support services - students - extraordinary services:					
Salaries	47,212.00	97,903.30	145,115.30	135,945.04	9,170.26
Total other support services - students - extraordinary services	47,212.00	97,903.30	145,115.30	135,945.04	9,170.26
Guidance:					
Salaries of other professional staff	27,465.00	7,547.56	35,012.56	34,582.96	429.60
Purchased professional educational services	1,100.00	(1,014.00)	86.00	86.00	0.00
Supplies and materials	1,125.00	(933.97)	191.03	191.03	0.00
Total guidance	29,690.00	5,599.59	35,289.59	34,859.99	429.60

**EXHIBIT C-1  
(Continued)**

**BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Child study teams:					
Salaries of other professional staff	\$ 1,000.00	\$ 0.00	\$ 1,000.00	\$ 0.00	\$ 1,000.00
Purchased professional educational services	75,050.00	(4,597.53)	70,452.47	67,555.10	2,897.37
Total child study teams	<u>76,050.00</u>	<u>(4,597.53)</u>	<u>71,452.47</u>	<u>67,555.10</u>	<u>3,897.37</u>
Improvement of instruction services:					
Purchased professional educational services	30,554.00	1,360.00	31,914.00	31,914.00	0.00
Total improvement of instruction services	<u>30,554.00</u>	<u>1,360.00</u>	<u>31,914.00</u>	<u>31,914.00</u>	<u>0.00</u>
Educational media services/school library:					
Salaries	16,565.00	0.00	16,565.00	16,565.00	0.00
Salary of technology coordinators	3,738.00	(238.00)	3,500.00	3,500.00	0.00
Purchased professional and technical services	1,228.00	(39.00)	1,189.00	1,189.00	0.00
Supplies and materials	3,000.00	277.00	3,277.00	2,748.56	528.44
Total educational media services/school library	<u>24,531.00</u>	<u>0.00</u>	<u>24,531.00</u>	<u>24,002.56</u>	<u>528.44</u>
Training services - instructional staff:					
Salaries of other professional staff	100.00	226.48	326.48	326.48	0.00
Other purchased services	4,500.00	941.17	5,441.17	5,441.17	0.00
Total training services - instructional staff	<u>4,600.00</u>	<u>1,167.65</u>	<u>5,767.65</u>	<u>5,767.65</u>	<u>0.00</u>

EXHIBIT C-1  
(Continued)

BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Support services - general administration:					
Salaries	\$ 143,894.00	\$ 6,152.72	\$ 150,046.72	\$ 150,046.72	\$ 0.00
Legal services	3,000.00	831.50	3,831.50	3,831.50	0.00
Audit fees	9,000.00	(200.00)	8,800.00	8,800.00	0.00
Other purchased professional services	3,400.00	(55.00)	3,345.00	3,345.00	0.00
Communications/telephone	8,320.00	405.83	8,725.83	8,725.83	0.00
BOE other purchased services	900.00	(700.00)	200.00	200.00	0.00
Miscellaneous purchased services	9,028.00	5,943.43	14,971.43	14,971.43	0.00
General supplies	1,500.00	7,288.80	8,788.80	1,230.17	7,558.63
BOE in-house training/meeting supplies	50.00	(50.00)	0.00	0.00	0.00
Miscellaneous expenditures	4,400.00	(2,112.50)	2,287.50	2,287.50	0.00
BOE membership dues and fees	2,395.00	(204.30)	2,190.70	2,190.70	0.00
Total support services - general administration	<u>185,887.00</u>	<u>17,300.48</u>	<u>203,187.48</u>	<u>195,628.85</u>	<u>7,558.63</u>
Support services - school administration:					
Salaries of other professional staff	3,738.00	(738.00)	3,000.00	3,000.00	0.00
Salaries of secretarial and clerical assistants	10,761.00	883.39	11,644.39	11,644.39	0.00
Other purchased services	1,300.00	(129.07)	1,170.93	1,170.93	0.00
Supplies and materials	1,500.00	822.02	2,322.02	251.77	2,070.25
Total support services - school administration	<u>17,299.00</u>	<u>838.34</u>	<u>18,137.34</u>	<u>16,067.09</u>	<u>2,070.25</u>

EXHIBIT C-1  
(Continued)

BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Central services:					
Salaries	\$ 60,511.00	\$ 3,399.84	\$ 63,910.84	\$ 63,910.84	\$ 0.00
Purchased technical services	10,200.00	(171.00)	10,029.00	10,029.00	0.00
Miscellaneous purchased services	500.00	(350.00)	150.00	150.00	0.00
Supplies and materials	2,500.00	4,260.53	6,760.53	3,933.36	2,827.17
Miscellaneous expenditures	449.00	(1.00)	448.00	448.00	0.00
Total central services	74,160.00	7,138.37	81,298.37	78,471.20	2,827.17
Required maintenance for school facilities:					
Cleaning, repair, and maintenance services	15,700.00	8,078.92	23,778.92	23,778.92	0.00
General supplies	1,500.00	418.44	1,918.44	1,918.44	0.00
Total required maintenance for school facilities	17,200.00	8,497.36	25,697.36	25,697.36	0.00
Custodial services:					
Salaries	105,007.00	10,051.15	115,058.15	115,058.15	0.00
Salaries of non-instructional aides	12,598.00	335.20	12,933.20	12,933.20	0.00
Purchased professional and technical services	800.00	3,200.00	4,000.00	4,000.00	0.00
Cleaning, repair, and maintenance services	1,330.00	357.95	1,687.95	1,687.95	0.00
Other purchased property services	4,000.00	(1,108.85)	2,891.15	2,891.15	0.00
Insurance	8,700.00	(821.00)	7,879.00	7,879.00	0.00
Miscellaneous purchased services	250.00	(91.59)	158.41	158.41	0.00
General supplies	8,000.00	1,725.64	9,725.64	8,869.58	856.06
Energy (natural gas)	22,000.00	682.49	22,682.49	22,682.49	0.00
Energy (electricity)	33,000.00	30.17	33,030.17	33,030.17	0.00
Other objects	1,262.00	(400.00)	862.00	862.00	0.00
Total custodial services	196,947.00	13,961.16	210,908.16	210,052.10	856.06

EXHIBIT C-1  
(Continued)

BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Care and upkeep of grounds:					
Cleaning, repair, and maintenance services	\$ 8,000.00	\$ (309.21)	\$ 7,690.79	\$ 7,690.79	\$ 0.00
General supplies	750.00	461.51	1,211.51	1,211.51	0.00
Total care and upkeep of grounds	8,750.00	152.30	8,902.30	8,902.30	0.00
Security:					
Cleaning, repair, and maintenance services	2,000.00	418.50	2,418.50	2,418.50	0.00
Total security	2,000.00	418.50	2,418.50	2,418.50	0.00
Student transportation services:					
Contracted services (other than between home and school) - vendors	6,500.00	884.00	7,384.00	5,149.50	2,234.50
Contracted services (special education) - joint agreements	36,000.00	(4,994.41)	31,005.59	16,722.01	14,283.58
Contracted services - aid in lieu of payments	11,492.00	(884.00)	10,608.00	10,608.00	0.00
Total student transportation services	53,992.00	(4,994.41)	48,997.59	32,479.51	16,518.08

**EXHIBIT C-1  
(Continued)**

**BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Allocated benefits:					
Regular programs - instruction:					
Health benefits	\$ 255,131.00	\$ (6,247.08)	\$ 248,883.92	\$ 248,883.92	\$ 0.00
Tuition reimbursement	12,000.00	(2,640.00)	9,360.00	9,360.00	0.00
Other employee benefits	7,500.00	2,949.00	10,449.00	10,449.00	0.00
Special programs - instruction:					
Health benefits	34,490.00	(2,057.13)	32,432.87	32,432.87	0.00
Attendance and social work services:					
Health benefits	6,112.00	(132.13)	5,979.87	5,979.87	0.00
Health services:					
Health benefits	384.00	(49.56)	334.44	334.44	0.00
Tuition reimbursement	0.00	2,640.00	2,640.00	2,640.00	0.00
Other employee benefits	2,500.00	0.00	2,500.00	2,500.00	0.00
Support services - general administration:					
Health benefits	19,653.00	(1,141.53)	18,511.47	18,511.47	0.00
Other employee benefits	0.00	1,250.00	1,250.00	1,250.00	0.00
Support services - school administration:					
Health benefits	6,478.00	(4,980.09)	1,497.91	1,497.91	0.00
Support services - central services:					
Health benefits	19,432.00	(14,938.37)	4,493.63	4,493.63	0.00
Operation and maintenance of plant services:					
Health benefits	25,909.00	(269.38)	25,639.62	25,639.62	0.00
Other employee benefits	2,500.00	0.00	2,500.00	2,500.00	0.00
Total allocated benefits	<u>392,089.00</u>	<u>(25,616.27)</u>	<u>366,472.73</u>	<u>366,472.73</u>	<u>0.00</u>

EXHIBIT C-1  
(Continued)

BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Unallocated benefits:					
Social security contributions	\$ 44,000.00	\$ 12,539.49	\$ 56,539.49	\$ 53,169.66	\$ 3,369.83
Other retirement contributions - PERS	33,526.00	(6,161.00)	27,365.00	27,365.00	0.00
Other retirement contributions - regular	9,000.00	3,596.11	12,596.11	9,902.68	2,693.43
Workmen's compensation	11,847.00	(58.00)	11,789.00	11,789.00	0.00
Other employee benefits	8,600.00	(1,400.00)	7,200.00	5,771.54	1,428.46
Total unallocated benefits	106,973.00	8,516.60	115,489.60	107,997.88	7,491.72
On-behalf TPAF pension contribution (non-budgeted)	0.00	0.00	0.00	75,019.00	(75,019.00)
On-behalf TPAF OPEB (post retirement medical) contribution (non-budgeted)	0.00	0.00	0.00	119,094.00	(119,094.00)
Reimbursed T.P.A.F. social security contributions (non-budgeted)	0.00	0.00	0.00	109,802.77	(109,802.77)
Total on-behalf contributions	0.00	0.00	0.00	303,915.77	(303,915.77)
Total undistributed expenditures	1,438,362.00	117,870.44	1,556,232.44	1,786,823.30	(230,590.86)
Total expenditures - current expense	3,094,866.00	67,879.96	3,162,745.96	3,373,984.80	(211,238.84)
CAPITAL OUTLAY:					
Facilities acquisition and construction services:					
Assessment for debt service on SDA funding	10,349.00	0.00	10,349.00	10,349.00	0.00
Total facilities acquisition and construction services	10,349.00	0.00	10,349.00	10,349.00	0.00

**EXHIBIT C-1  
(Continued)**

**BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Total capital outlay	10,349.00	0.00	10,349.00	10,349.00	0.00
Total expenditures	3,105,215.00	67,879.96	3,173,094.96	3,384,333.80	(211,238.84)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(66,193.00)	(67,879.96)	(134,072.96)	(28,746.21)	105,326.75
Fund balances - July 1	238,729.62	0.00	238,729.62	238,729.62	0.00
Fund balances - June 30	<u>\$ 172,536.62</u>	<u>\$ (67,879.96)</u>	<u>\$ 104,656.66</u>	<u>\$ 209,983.41</u>	<u>\$ 105,326.75</u>

**EXHIBIT C-1  
(Concluded)**

**BOROUGH OF WENONAH SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Recapitulation:					
Restricted fund balance:					
Capital reserve				\$ 18.15	
Assigned:					
Year-end encumbrances				14,383.00	
Unassigned fund balance				<u>195,582.26</u>	
Total fund balance				209,983.41	
Reconciliation to governmental funds statements (GAAP):					
Last state aid payments not recognized on GAAP basis				<u>(48,829.00)</u>	
Fund balance per governmental funds (GAAP)				<u>\$ 161,154.41</u>	

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual (Budgetary Basis)	Variance Final To Actual
<b>REVENUES:</b>					
Local sources	\$ 0.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 0.00
Federal sources	40,590.00	12,847.00	53,437.00	53,437.00	0.00
<b>Total revenues</b>	<b>40,590.00</b>	<b>14,347.00</b>	<b>54,937.00</b>	<b>54,937.00</b>	<b>0.00</b>
<b>EXPENDITURES:</b>					
Instruction:					
Other salaries for instruction	2,461.00	794.00	3,255.00	3,255.00	0.00
Purchased professional technical services	0.00	8,497.00	8,497.00	8,497.00	0.00
Tuition	35,897.00	(6,286.00)	29,611.00	29,611.00	0.00
<b>Total instruction</b>	<b>38,358.00</b>	<b>3,005.00</b>	<b>41,363.00</b>	<b>41,363.00</b>	<b>0.00</b>
Support services:					
Purchased professional technical services	2,232.00	9,842.00	12,074.00	12,074.00	0.00
General supplies	0.00	1,500.00	1,500.00	1,500.00	0.00
<b>Total support services</b>	<b>2,232.00</b>	<b>11,342.00</b>	<b>13,574.00</b>	<b>13,574.00</b>	<b>0.00</b>
<b>Total expenditures</b>	<b>40,590.00</b>	<b>14,347.00</b>	<b>54,937.00</b>	<b>54,937.00</b>	<b>0.00</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>

*Notes To The Required Supplementary Information – Part II*

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Note To Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2015**

*Note A - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures*

	General Fund	Special Revenue Fund
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 3,355,587.59	\$ 54,937.00
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized	0.00	2,730.10
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	48,391.00	0.00
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(48,829.00)	0.00
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 3,355,149.59	\$ 57,667.10
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 3,384,333.80	\$ 54,937.00
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	0.00	2,730.10
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 3,384,333.80	\$ 57,667.10

*Required Supplementary Information - Part III*

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability - PERS**  
**Current Fiscal Year**

	Fiscal Year Ended June 30, 2015
	<hr/>
District's proportion of the net pension liability (asset)	0.0033194419%
District's proportionate share of the net pension liability (asset)	\$ 621,490
District's covered - employee payroll	\$ 241,460
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	257.39%
Plan fiduciary net position as a percentage of the total pension liability	52.08%

**BOROUGH OF WENONAH SCHOOL DISTRICT  
 Schedule of District Contributions - PERS  
 Current Fiscal Year**

	Fiscal Year Ended <u>June 30, 2015</u>
Contractually required contribution	\$ 27,365
Contributions in relation to the contractually required contribution	<u>27,365</u>
Contribution deficiency (excess)	<u>None</u>
District's covered - employee payroll	\$ 241,460
Contributions as a percentage of covered-employee payroll	11.33%

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF**  
**Current Fiscal Year**

	Fiscal Year Ended June 30, 2015
	<hr/>
District's proportion of the net pension liability (asset)	0.0140698201%
District's proportionate share of the net pension liability (asset)	\$ 7,088,518
District's covered - employee payroll	\$ 1,321,092
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	536.57%
Plan fiduciary net position as a percentage of the total pension liability	33.64%

The data in the above schedule represents the allocation of the State of New Jersey's obligation *on behalf* of the District.

The Teachers' Pension and Annuity Fund (TPAF) On-behalf Payments is a Cost Sharing Multi-Employer Defined Benefit Plan with a Special Funding Situation - 100% Legal Obligation of the State of New Jersey (State).

Since the State is the only entity with a legal obligation, the District's proportionate share percentage determined under paragraph 48 of GASBS No. 68 is zero percent. Accordingly, the District did not recognize any portion of the TPAF collective net pension liability on the Statement of Net Position (A-1). Also on the A-1, and for the same reasons, the District did not recognize any portion of TPAF collective deferred outflows of resources and TPAF deferred inflows of resources.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART III**  
**JUNE 30, 2015**

**NOTE 1 – CONTRIBUTIONS**

The contribution policy for PERS is set by NJSA 15A and requires contributions by active members and contributing employers. The District's contribution amount was based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

**NOTE 2 – ACTUARIAL ASSUMPTIONS**

The total pension liability for the June 30, 2014, measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013, measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	3.01%
Salary increases:	
2012-2021	2.15 – 4.40% based on age
Thereafter	3.15 – 5.40% based on age
Investment rate of return	7.90%

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.

The actuarial assumptions used in the July 1, 2013, valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pension and Benefits financial report at:  
<http://www.nj.gov/treasury/pensions/employer-home.shtml>.

*Other Supplementary Information*

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures**  
**Budgetary Basis**  
**For the Fiscal Year Ended June 30, 2015**

	I.D.E.A. - Part B Basic Regular Program	I.D.E.A. - Part B Preschool Program	NCLB - Title II Part A	Local Programs	Total
<b>REVENUES:</b>					
Local sources	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,500.00	\$ 1,500.00
Federal sources	47,656.00	3,255.00	2,526.00	0.00	53,437.00
<b>Total revenues</b>	<b>\$ 47,656.00</b>	<b>\$ 3,255.00</b>	<b>\$ 2,526.00</b>	<b>\$ 1,500.00</b>	<b>\$ 54,937.00</b>
<b>EXPENDITURES:</b>					
Instruction:					
Other salaries for instruction	\$ 0.00	\$ 3,255.00	\$ 0.00	\$ 0.00	\$ 3,255.00
Purchased professional technical services	8,497.00	0.00	0.00	0.00	8,497.00
Tuition	29,611.00	0.00	0.00	0.00	29,611.00
<b>Total instruction</b>	<b>38,108.00</b>	<b>3,255.00</b>	<b>0.00</b>	<b>0.00</b>	<b>41,363.00</b>
Support services:					
Purchased professional technical services	9,548.00	0.00	2,526.00	0.00	12,074.00
General supplies	0.00	0.00	0.00	1,500.00	1,500.00
<b>Total support services</b>	<b>9,548.00</b>	<b>0.00</b>	<b>2,526.00</b>	<b>1,500.00</b>	<b>13,574.00</b>
<b>Total expenditures</b>	<b>\$ 47,656.00</b>	<b>\$ 3,255.00</b>	<b>\$ 2,526.00</b>	<b>\$ 1,500.00</b>	<b>\$ 54,937.00</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Fiduciary Fund**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2015**

	Expendable Trust	Agency	
	Unemployment Compensation Insurance Trust	Student Activity	Payroll
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 32,943.58	\$ 15,680.56	\$ 2,224.00
Deposits held by the State of New Jersey	167.55	0.00	0.00
<b>Total assets</b>	<b>\$ 33,111.13</b>	<b>\$ 15,680.56</b>	<b>\$ 2,224.00</b>
<b>LIABILITIES:</b>			
Payroll deductions and withholdings	\$ 0.00	\$ 0.00	\$ 1,224.00
Interfund accounts payable	0.00	1,050.00	1,000.00
Due to student groups	0.00	14,630.56	0.00
<b>Total liabilities</b>	<b>0.00</b>	<b>\$ 15,680.56</b>	<b>\$ 2,224.00</b>
<b>NET POSITION:</b>			
Held in trust for unemployment claims and other purposes	<b>\$ 33,111.13</b>		

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Fiduciary Fund - Unemployment Compensation Insurance Trust**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For the Fiscal Year Ended June 30, 2015**

## ADDITIONS:

## Contributions:

Plan member

\$ 4,329.83

Deposits held by the State of New Jersey

167.55

## Investment earnings:

Interest earned

113.62

Total additions

4,611.00

## DEDUCTIONS:

Catastrophic Illness Fund

120.00

Total deductions

120.00

Change in net position

4,491.00

Net position - July 1

28,620.13

Net position - June 30

\$ 33,111.13

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Student Activity Agency Fund**  
**Schedule of Receipts and Disbursements**  
**For the Fiscal Year Ended June 30, 2015**

	Balance July 1, 2014	Cash Receipts	Cash Disbursements	Balance June 30, 2015
Elementary school	<u>\$ 23,640.87</u>	<u>\$ 14,923.84</u>	<u>\$ 22,884.15</u>	<u>\$ 15,680.56</u>
Total all schools	<u><u>\$ 23,640.87</u></u>	<u><u>\$ 14,923.84</u></u>	<u><u>\$ 22,884.15</u></u>	<u><u>\$ 15,680.56</u></u>

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Payroll Agency Fund**  
**Schedule of Receipts and Disbursement**  
**For the Fiscal Year Ended June 30, 2015**

	Balance July 1, 2014	Cash Receipts	Cash Disbursements	Balance June 30, 2015
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 340.06	\$ 2,374,049.50	\$ 2,372,165.56	\$ 2,224.00
Interfund accounts receivable	404.81	0.00	404.81	0.00
Intergovernmental accounts receivable	803.93	0.00	803.93	0.00
<b>Total assets</b>	<b>\$ 1,548.80</b>	<b>\$ 2,374,049.50</b>	<b>\$ 2,373,374.30</b>	<b>\$ 2,224.00</b>
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	\$ 548.80	\$ 1,013,791.56	\$ 1,013,116.36	\$ 1,224.00
Net payroll	0.00	1,360,132.21	1,360,132.21	0.00
Interfund accounts payable	1,000.00	125.73	125.73	1,000.00
<b>Total liabilities</b>	<b>\$ 1,548.80</b>	<b>\$ 2,374,049.50</b>	<b>\$ 2,373,374.30</b>	<b>\$ 2,224.00</b>

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
**Statement of Serial Bonds**  
**June 30, 2015**

Issue	Date Of Issue	Amount Of Issue	Annual Maturities		Interest Rate	Balance July 1, 2014	Issued	Retired	Balance June 30, 2015
			Date	Amount					
Refunding school bonds	12/12/12	\$ 1,720,000.00	01/15/16	155,000.00	3.00%				
			01/15/17	155,000.00	3.00%				
			01/15/18	165,000.00	2.00%				
			01/15/19	170,000.00	2.00%				
			01/15/20	170,000.00	2.00%				
			01/15/21	175,000.00	2.00%				
			01/15/22	180,000.00	3.00%				
			01/15/23	185,000.00	3.00%				
			01/15/24	175,000.00	3.00%				
					<u>\$ 1,680,000.00</u>	<u>\$ 0.00</u>	<u>\$ 150,000.00</u>	<u>\$ 1,530,000.00</u>	

**BOROUGH OF WENONAH SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 For the Fiscal Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Budget</u>
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 193,580.00	\$ 0.00	\$ 193,580.00	\$ 193,580.00	\$ 0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	193,580.00	0.00	193,580.00	193,580.00	0.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES:</b>					
Regular debt service:					
Interest	43,600.00	0.00	43,600.00	43,600.00	0.00
Redemption of principal	150,000.00	0.00	150,000.00	150,000.00	0.00
Total regular debt service	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	193,600.00	0.00	193,600.00	193,600.00	0.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	193,600.00	0.00	193,600.00	193,600.00	0.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(20.00)	0.00	(20.00)	(20.00)	0.00
Fund balance - July 1	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	20.59	0.00	20.59	20.59	0.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund balance - June 30	<u>\$ 0.59</u>	<u>\$ 0.00</u>	<u>\$ 0.59</u>	<u>\$ 0.59</u>	<u>\$ 0.00</u>

## **Statistical Section**

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

**Revenue Capacity** - These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

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

**Demographic and Economic Information** - These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

**Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The District implemented GASB Statement 34 in fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Net Position By Component**  
**Last Ten Fiscal Years**  
*Accrual Basis of Accounting*

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities:										
Net investment in capital assets, net of related debt	\$ 1,391,554.50	\$ 1,358,398.50	\$ 1,272,998.05	\$ 1,388,491.50	\$ 1,388,173.34	\$ 1,354,533.80	\$ 1,360,442.94	\$ 1,610,409.00	\$ 1,505,409.00	\$ 1,505,696.00
Restricted	14,401.74	67,918.58	10,990.50	21.28	49,246.61	146,824.42	155,896.98	155,894.45	(73,913.00)	77,528.00
Unrestricted	(586,169.74)	12,683.88	47,660.62	69,714.57	(19,706.86)	(85,773.62)	5,360.31	60,759.04	266,022.00	142,603.00
<b>Total governmental activities net position</b>	<b>\$ 819,786.50</b>	<b>\$ 1,439,000.96</b>	<b>\$ 1,331,649.17</b>	<b>\$ 1,458,227.35</b>	<b>\$ 1,417,713.09</b>	<b>\$ 1,415,584.60</b>	<b>\$ 1,521,700.23</b>	<b>\$ 1,827,062.49</b>	<b>\$ 1,697,518.00</b>	<b>\$ 1,725,827.00</b>
Business-type activities:										
Net investment in capital assets, net of related debt	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Restricted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unrestricted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total business-type activities net position</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>
District-wide activities:										
Net investment in capital assets, net of related debt	\$ 1,391,554.50	\$ 1,358,398.50	\$ 1,272,998.05	\$ 1,388,491.50	\$ 1,388,173.34	\$ 1,354,533.80	\$ 1,360,442.94	\$ 1,610,409.00	\$ 1,505,409.00	\$ 1,505,696.00
Restricted	14,401.74	67,918.58	10,990.50	21.28	49,246.61	146,824.42	155,896.98	155,894.45	(73,913.00)	77,528.00
Unrestricted	(586,169.74)	12,683.88	47,660.62	69,714.57	(19,706.86)	(85,773.62)	5,360.31	60,759.04	266,022.00	142,603.00
<b>Total district-wide activities net position</b>	<b>\$ 819,786.50</b>	<b>\$ 1,439,000.96</b>	<b>\$ 1,331,649.17</b>	<b>\$ 1,458,227.35</b>	<b>\$ 1,417,713.09</b>	<b>\$ 1,415,584.60</b>	<b>\$ 1,521,700.23</b>	<b>\$ 1,827,062.49</b>	<b>\$ 1,697,518.00</b>	<b>\$ 1,725,827.00</b>

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Changes In Net Position**  
**Last Ten Fiscal Years**  
**Accrual Basis of Accounting**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Expenses:</b>										
Governmental activities:										
Instruction:										
Regular	\$ 1,890,688.46	\$ 1,780,629.74	\$ 1,825,596.54	\$ 1,690,780.88	\$ 1,226,087.57	\$ 1,247,505.25	\$ 1,222,183.39	\$ 1,134,769.22	\$ 1,093,539.00	\$ 1,048,668.00
Special education	272,819.90	333,127.64	287,774.15	245,787.59	121,735.51	128,681.45	120,424.76	117,661.73	121,993.00	117,083.00
Other special instruction	103,061.64	67,531.60	76,088.09	66,803.13	74,895.23	55,684.70	44,628.77	49,667.02	45,292.00	43,525.00
Other instruction	24,177.96	22,917.72	22,445.29	21,567.94	8,743.71	12,684.00	10,064.80	10,032.20	0.00	0.00
Support services:										
Tuition	3,058.72	15,315.80	45,806.21	10,030.00	6,311.34	54,856.14	50,438.00	26,115.06	44,545.00	52,569.00
Student and instruction related services	517,986.65	420,779.38	399,165.47	468,255.67	395,171.78	396,436.38	313,948.84	267,796.77	265,336.00	222,485.00
General administrative services	249,775.82	231,300.22	226,716.16	211,630.38	165,992.07	178,134.16	172,298.93	183,976.37	182,948.00	182,510.00
School administrative services	20,551.60	23,073.72	22,740.73	24,304.31	16,991.27	20,212.04	16,031.09	13,171.79	9,096.00	12,800.00
Central services	96,425.79	106,150.10	95,813.19	98,640.07	49,939.86	57,638.72	55,690.78	59,514.90	62,521.00	62,241.00
Plant operations and maintenance	321,801.85	287,004.88	301,353.80	264,447.95	205,279.51	211,474.88	257,463.00	250,252.79	207,903.00	192,700.00
Pupil transportation	32,479.51	55,765.08	41,158.32	20,811.84	55,026.37	64,220.23	51,086.10	29,656.00	82,267.00	71,708.00
Unallocated benefits	0.00	0.00	0.00	0.00	558,458.11	533,822.13	475,657.65	529,540.63	519,869.00	415,887.00
Interest on long-term debt	51,886.50	56,928.17	45,016.06	88,648.50	98,616.16	90,500.84	98,734.16	95,050.69	104,918.00	108,918.00
Unallocated depreciation	15,413.00	16,351.00	16,902.00	14,144.00	133,397.40	140,707.40	143,140.20	0.00	99,959.00	99,959.00
Total governmental activities expenses	<u>3,600,127.40</u>	<u>3,416,875.05</u>	<u>3,406,576.01</u>	<u>3,225,852.26</u>	<u>3,116,645.89</u>	<u>3,192,558.32</u>	<u>3,031,790.47</u>	<u>2,767,205.17</u>	<u>2,840,186.00</u>	<u>2,631,053.00</u>
Business-type activities:										
Latchkey	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities expenses	<u>0.00</u>									
Total district expenses	<u>\$ 3,600,127.40</u>	<u>\$ 3,416,875.05</u>	<u>\$ 3,406,576.01</u>	<u>\$ 3,225,852.26</u>	<u>\$ 3,116,645.89</u>	<u>\$ 3,192,558.32</u>	<u>\$ 3,031,790.47</u>	<u>\$ 2,767,205.17</u>	<u>\$ 2,840,186.00</u>	<u>\$ 2,631,053.00</u>
<b>Revenues:</b>										
Governmental activities:										
Charges for services:										
Operating grants and contributions	\$ 361,582.87	\$ 311,430.05	\$ 354,625.11	\$ 325,496.54	\$ 259,780.67	\$ 303,730.90	\$ 276,995.51	\$ 305,826.08	\$ 318,703.00	\$ 238,995.00
Capital grants and contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total governmental activities revenues	<u>361,582.87</u>	<u>311,430.05</u>	<u>354,625.11</u>	<u>325,496.54</u>	<u>259,780.67</u>	<u>303,730.90</u>	<u>276,995.51</u>	<u>305,826.08</u>	<u>318,703.00</u>	<u>238,995.00</u>
Business-type activities:										
Charges for services:										
Latchkey	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating grants and contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital grants and contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities revenues	<u>0.00</u>									
Total district revenues	<u>\$ 361,582.87</u>	<u>\$ 311,430.05</u>	<u>\$ 354,625.11</u>	<u>\$ 325,496.54</u>	<u>\$ 259,780.67</u>	<u>\$ 303,730.90</u>	<u>\$ 276,995.51</u>	<u>\$ 305,826.08</u>	<u>\$ 318,703.00</u>	<u>\$ 238,995.00</u>
<b>Net (expenses)/revenues:</b>										
Governmental activities	\$ (3,238,544.53)	\$ (3,105,445.00)	\$ (3,051,950.90)	\$ (2,900,355.72)	\$ (2,856,865.22)	\$ (2,888,827.42)	\$ (2,754,794.96)	\$ (2,461,379.09)	\$ (2,521,483.00)	\$ (2,392,058.00)
Business-type activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total district-wide net expenses	<u>\$ (3,238,544.53)</u>	<u>\$ (3,105,445.00)</u>	<u>\$ (3,051,950.90)</u>	<u>\$ (2,900,355.72)</u>	<u>\$ (2,856,865.22)</u>	<u>\$ (2,888,827.42)</u>	<u>\$ (2,754,794.96)</u>	<u>\$ (2,461,379.09)</u>	<u>\$ (2,521,483.00)</u>	<u>\$ (2,392,058.00)</u>

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Changes In Net Position**  
**Last Ten Fiscal Years**  
*Accrual Basis of Accounting*

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General revenues and other changes in net position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 2,498,226.00	\$ 2,449,242.00	\$ 2,368,498.00	\$ 2,299,520.00	\$ 2,254,431.00	\$ 2,037,915.00	\$ 1,988,210.00	\$ 1,923,055.00	\$ 1,861,111.00	\$ 1,648,506.00
Taxes levied for debt service	193,580.00	183,128.00	203,715.00	154,292.00	188,118.00	202,518.00	201,718.00	205,918.00	204,917.00	208,918.00
Unrestricted grants and contributions	500,334.00	498,031.00	492,139.00	463,813.00	419,618.00	535,691.00	478,136.00	429,394.00	350,280.00	398,685.00
Federal and state aid restricted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	53,747.00	19,113.00
Tuition	48,080.17	88,421.52	16,669.03	16,811.74	5,161.16	8,612.00	0.00	0.00	3,200.00	20,200.00
Investment earnings	1,900.77	1,995.70	3,700.49	1,405.28	685.97	1,302.95	4,036.27	11,950.04	14.00	11.00
Miscellaneous income	2,692.88	1,175.78	6,660.93	5,027.96	2,013.06	8,361.94	5,954.53	17,197.86	19,905.00	23,124.00
Fixed asset adjustments	0.00	7,772.00	11,004.00	0.00	0.00	0.00	(230,856.00)	0.00	0.00	0.00
Assets acquired under capital lease	0.00	0.00	(85,961.50)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Proceeds from bond refinancing	0.00	0.00	(94,000.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Compensated absences increase/decrease	4,424.25	(16,969.21)	2,947.77	0.00	(11,033.48)	(11,689.10)	2,233.90	(47,701.87)	0.00	0.00
Total governmental activities	<u>3,249,238.07</u>	<u>3,212,796.79</u>	<u>2,925,372.72</u>	<u>2,940,869.98</u>	<u>2,858,993.71</u>	<u>2,782,711.79</u>	<u>2,449,432.70</u>	<u>2,539,813.03</u>	<u>2,493,174.00</u>	<u>2,318,557.00</u>
Business-type activities:										
Investment earnings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities	<u>0.00</u>									
Total district-wide activities	<u>\$ 3,249,238.07</u>	<u>\$ 3,212,796.79</u>	<u>\$ 2,925,372.72</u>	<u>\$ 2,940,869.98</u>	<u>\$ 2,858,993.71</u>	<u>\$ 2,782,711.79</u>	<u>\$ 2,449,432.70</u>	<u>\$ 2,539,813.03</u>	<u>\$ 2,493,174.00</u>	<u>\$ 2,318,557.00</u>
Change in net position:										
Governmental activities	\$ 10,693.54	\$ 107,351.79	\$ (126,578.18)	\$ 40,514.26	\$ 2,128.49	\$ (106,115.63)	\$ (305,362.26)	\$ 78,433.94	\$ (28,309.00)	\$ (73,501.00)
Business-type activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total district-wide	<u>\$ 10,693.54</u>	<u>\$ 107,351.79</u>	<u>\$ (126,578.18)</u>	<u>\$ 40,514.26</u>	<u>\$ 2,128.49</u>	<u>\$ (106,115.63)</u>	<u>\$ (305,362.26)</u>	<u>\$ 78,433.94</u>	<u>\$ (28,309.00)</u>	<u>\$ (73,501.00)</u>

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
*Modified Accrual Basis of Accounting*

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General fund:										
Reserved	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 86,481.34	\$ 91,669.20	\$ 107,089.00	\$ 6,082.00	\$ 178,369.00
Unreserved	0.00	0.00	0.00	0.00	0.00	7,885.44	93,232.13	133,426.27	219,164.00	90,475.00
Restricted	18.15	18.03	17.91	17.79	17.62	0.00	0.00	0.00	0.00	0.00
Assigned	14,383.00	134,072.96	23,000.00	52,271.94	0.00	0.00	0.00	0.00	0.00	0.00
Unassigned	146,753.26	56,247.63	119,969.00	129,273.46	86,762.54	0.00	0.00	0.00	0.00	0.00
<b>Total general fund</b>	<b>\$ 161,154.41</b>	<b>\$ 190,338.62</b>	<b>\$ 142,986.91</b>	<b>\$ 181,563.19</b>	<b>\$ 86,780.16</b>	<b>\$ 94,366.78</b>	<b>\$ 184,901.33</b>	<b>\$ 240,515.27</b>	<b>\$ 225,246.00</b>	<b>\$ 268,844.00</b>
All other governmental funds:										
Unreserved, reported in:										
Capital projects fund	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 64,225.79	\$ 64,225.79	\$ 64,225.79	\$ 64,227.00	\$ 77,527.00
Debt service fund	0.00	0.00	0.00	0.00	0.00	2.49	1.99	1.49	0.00	1.00
Assigned:										
Capital projects fund	0.00	0.00	0.00	0.00	49,226.00	0.00	0.00	0.00	0.00	0.00
Debt service fund	0.00	20.00	10,972.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00
Unassigned										
Debt service fund	0.59	0.59	0.59	0.49	2.99	0.00	0.00	0.00	0.00	0.00
<b>Total all other governmental funds</b>	<b>\$ 0.59</b>	<b>\$ 20.59</b>	<b>\$ 10,972.59</b>	<b>\$ 3.49</b>	<b>\$ 49,228.99</b>	<b>\$ 64,228.28</b>	<b>\$ 64,227.78</b>	<b>\$ 64,227.28</b>	<b>\$ 64,227.00</b>	<b>\$ 77,528.00</b>

Note: 2011 reflects the change to GASB 54.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Changes In Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**Modified Accrual Basis of Accounting**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Revenues:</b>										
Tax levy	\$ 2,691,806.00	\$ 2,632,370.00	\$ 2,572,213.00	\$ 2,453,812.00	\$ 2,442,549.00	\$ 2,240,433.00	\$ 2,189,928.00	\$ 2,128,973.00	\$ 2,066,028.00	\$ 1,857,424.00
Tuition	48,080.17	88,421.52	16,669.03	16,811.74	5,161.16	8,612.00	0.00	0.00	3,200.00	20,200.00
Interest earnings on capital reserve	0.12	0.12	0.12	0.17	19.48	0.94	2.03	8.81	14.00	11.00
Miscellaneous	8,823.63	3,941.24	6,077.99	10,065.07	2,658.36	9,663.95	9,988.77	29,139.09	19,905.00	23,124.00
State sources	804,249.77	754,921.16	790,112.11	707,092.54	620,967.51	669,674.06	677,539.26	704,826.48	678,530.00	573,141.00
Federal sources	53,437.00	53,770.00	55,152.00	78,585.00	58,431.16	169,747.84	77,592.25	30,393.60	50,569.00	57,489.00
<b>Total revenues</b>	<b>3,606,396.69</b>	<b>3,533,424.04</b>	<b>3,440,224.25</b>	<b>3,266,366.52</b>	<b>3,129,786.67</b>	<b>3,098,131.79</b>	<b>2,955,050.31</b>	<b>2,893,340.98</b>	<b>2,818,246.00</b>	<b>2,531,389.00</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular instruction	1,310,212.76	1,302,703.03	1,303,681.90	1,224,569.10	1,226,087.57	1,247,505.25	1,222,183.39	1,134,769.22	1,093,539.00	1,038,840.00
Special education instruction	211,626.13	278,663.97	223,338.73	189,253.22	121,735.51	128,681.45	120,424.76	117,661.73	121,993.00	116,533.00
Other special instruction	87,529.03	54,653.03	55,449.73	50,224.78	74,895.23	55,684.70	44,628.77	49,667.02	45,292.00	43,525.00
Other instruction	19,156.58	16,229.83	16,184.21	15,440.90	8,743.71	12,684.00	10,064.80	10,032.20	0.00	0.00
<b>Support services:</b>										
Tuition	3,058.72	15,315.80	45,806.21	10,030.00	6,311.34	54,856.14	50,438.00	26,115.06	44,545.00	52,569.00
Student and instruction related services	449,235.29	362,135.84	343,738.24	392,138.40	395,171.78	396,436.38	313,948.84	267,796.77	265,336.00	222,485.00
General administration	195,628.85	179,868.30	178,331.40	172,929.76	165,992.07	178,134.16	172,298.93	183,976.37	182,948.00	182,510.00
School administrative services	16,067.09	14,496.24	14,524.45	16,614.10	16,991.27	20,212.04	16,031.09	13,171.79	9,096.00	12,800.00
Central services	78,471.20	74,417.93	74,801.41	77,932.75	49,939.86	57,638.72	55,690.78	59,514.90	62,521.00	62,241.00
Plant operations and maintenance	249,800.36	218,585.70	232,185.22	196,742.48	205,279.51	211,474.88	257,463.00	250,252.79	207,903.00	190,665.00
Pupil transportation	32,479.51	55,765.08	41,158.32	20,811.84	55,026.37	64,220.23	51,086.10	29,656.00	82,267.00	71,708.00
Employee benefits	778,386.38	719,740.58	733,603.18	632,495.00	558,458.11	533,822.13	475,657.65	529,540.63	519,869.00	415,887.00
Capital outlay	10,349.00	10,349.00	98,244.03	18,109.16	64,643.94	48,174.26	72,626.14	0.00	13,300.00	112,725.00
<b>Debt service:</b>										
Principal	150,000.00	145,000.00	150,000.00	120,000.00	115,000.00	110,000.00	105,000.00	105,000.00	100,000.00	100,000.00
Interest and other charges	43,600.00	49,100.00	48,528.75	83,517.50	88,117.50	92,517.50	96,717.50	100,917.50	104,918.00	108,918.00
<b>Total expenditures</b>	<b>3,635,600.90</b>	<b>3,497,024.33</b>	<b>3,559,575.78</b>	<b>3,220,808.99</b>	<b>3,152,393.77</b>	<b>3,212,041.84</b>	<b>3,064,259.75</b>	<b>2,878,071.98</b>	<b>2,853,527.00</b>	<b>2,731,406.00</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(29,204.21)</b>	<b>36,399.71</b>	<b>(119,351.53)</b>	<b>45,557.53</b>	<b>(22,607.10)</b>	<b>(113,910.05)</b>	<b>(109,209.44)</b>	<b>15,269.00</b>	<b>(35,281.00)</b>	<b>(200,017.00)</b>
<b>Other financing sources (uses):</b>										
Transfers in/out	0.00	0.00	0.00	0.00	15,020.98	0.00	0.00	0.00	0.00	0.00
Excess of costs of issuance costs	0.00	0.00	5,782.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital leases (nonbudgeted)	0.00	0.00	85,961.50	0.00	0.00	23,376.00	53,596.00	0.00	0.00	0.00
<b>Total other financing sources (uses)</b>	<b>0.00</b>	<b>0.00</b>	<b>91,744.35</b>	<b>0.00</b>	<b>15,020.98</b>	<b>23,376.00</b>	<b>53,596.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net change in fund balances</b>	<b>\$ (29,204.21)</b>	<b>\$ 36,399.71</b>	<b>\$ (27,607.18)</b>	<b>\$ 45,557.53</b>	<b>\$ (7,586.12)</b>	<b>\$ (90,534.05)</b>	<b>\$ (55,613.44)</b>	<b>\$ 15,269.00</b>	<b>\$ (35,281.00)</b>	<b>\$ (200,017.00)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>5.34%</b>	<b>5.57%</b>	<b>5.74%</b>	<b>6.35%</b>	<b>6.58%</b>	<b>6.40%</b>	<b>6.74%</b>	<b>7.15%</b>	<b>7.21%</b>	<b>7.98%</b>

Note: Noncapital expenditures are total expenditures less capital outlay.

Source: District records.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**General Fund Other Local Revenue By Source**  
**Last Ten Fiscal Years**  
*Modified Accrual Basis of Accounting*

Fiscal Year Ended June 30	Contributions/ Donations	Interest Earnings	Rentals	Miscellaneous	Total
2015	\$ 4,230.10	\$ 1,900.65	\$ 700.00	\$ 1,992.88	\$ 8,823.63
2014	769.90	1,995.58	750.00	425.76	3,941.24
2013	1,500.00	3,700.37	250.00	627.62	6,077.99
2012	3,632.00	1,405.11	800.00	4,227.96	10,065.07
2011	0.00	645.30	0.00	2,013.06	2,658.36
2010	0.00	1,302.01	3,905.47	4,456.47	9,663.95
2009	0.00	4,032.21	2,725.00	3,231.56	9,988.77
2008	0.00	11,941.23	2,750.00	14,447.86	29,139.09
2007	0.00	0.00	0.00	19,905.00	19,905.00
2006	0.00	0.00	0.00	23,124.00	23,124.00

Source: District records.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Vacant Land	Residential	Farm - Regular	Farm - Qualified	Commercial	Industrial	Apartments	Total Assessed Value	Less: Tax Exempt Property	Public Utilities*	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate**
2015	\$ 1,707,700.00	\$ 216,444,800.00	\$ 0.00	\$ 0.00	\$ 6,486,700.00	\$ 0.00	\$ 0.00	\$ 224,639,200.00	\$ 0.00	\$ 0.00	\$ 224,639,200.00	\$ 232,947,471.00	\$ 1.210
2014	1,751,700.00	244,644,600.00	0.00	0.00	7,274,300.00	0.00	0.00	253,670,600.00	0.00	0.00	253,670,600.00	240,495,923.00	1.050
2013	1,841,700.00	247,267,300.00	0.00	0.00	6,924,300.00	0.00	0.00	256,033,300.00	0.00	243,865.00	256,277,165.00	240,884,196.00	1.016
2012	1,957,800.00	251,261,700.00	0.00	0.00	7,374,400.00	0.00	0.00	260,593,900.00	0.00	243,037.00	260,836,937.00	230,528,596.00	0.964
2011	2,349,500.00	284,308,500.00	0.00	0.00	5,614,000.00	0.00	0.00	292,272,000.00	0.00	249,581.00	292,521,581.00	272,427,445.00	0.837
2010	2,456,000.00	288,484,000.00	0.00	0.00	5,614,000.00	0.00	0.00	296,554,000.00	0.00	287,077.00	296,841,077.00	280,496,538.00	0.789
2009	2,320,000.00	289,447,000.00	0.00	0.00	5,407,000.00	0.00	0.00	297,174,000.00	0.00	294,323.00	297,468,323.00	282,289,188.00	0.745
2008	2,545,000.00	292,122,000.00	0.00	0.00	5,407,000.00	0.00	0.00	300,074,000.00	0.00	280,585.00	300,354,585.00	274,517,927.00	0.719
2007	1,147,100.00	133,534,800.00	0.00	0.00	2,205,800.00	0.00	0.00	136,887,700.00	0.00	142,900.00	137,030,600.00	255,190,164.00	1.531
2006	1,154,600.00	133,020,000.00	0.00	0.00	2,205,800.00	0.00	0.00	136,380,400.00	0.00	162,457.00	136,542,857.00	220,508,914.00	1.437

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the county board of taxation requests treasury to order a reassessment.

Source: Municipal tax assessor.

\*Taxable value of machinery, implements and equipment of telephone, telegraph and messenger system companies

\*\*Tax rates are per \$100.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Per \$100 of Assessed Valuation**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	District's Direct Rate			Overlapping Rates			Total Direct And Overlapping Tax Rate
	Basic Rate*	General Obligation Debt Service**	(From J-6) Total Direct School Tax Rate	Regional High School	Municipality	County	
2015	\$ 1.123	\$ 0.086	\$ 1.210	\$ 1.212	\$ 0.802	\$ 0.678	\$ 3.902
2014	0.976	0.074	1.050	1.007	0.711	0.582	3.350
2013	0.941	0.075	1.016	0.874	0.706	0.564	3.160
2012	0.896	0.069	0.964	0.802	0.679	0.468	2.913
2011	0.778	0.059	0.837	0.654	0.651	0.503	2.645
2010	0.723	0.066	0.789	0.672	0.608	0.519	2.588
2009	0.677	0.068	0.745	0.655	0.581	0.518	2.499
2008	0.652	0.067	0.719	0.605	0.545	0.504	2.373
2007	1.381	0.150	1.531	1.403	1.073	1.027	5.034
2006	1.287	0.150	1.437	1.410	0.942	0.955	4.744

Source: Municipal Tax Collector.

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the District's net budget may not exceed the prebudgeted year net budget by more than the spending growth limitation calculated as follows: the prebudgeted year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

\*The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable. The Borough was reassessed for the current year.

\*\*Rates for debt service are based on each year's requirements.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
Principal Property Taxpayers  
Current Year and Nine Years Ago**

Taxpayer	2015		2006	
	Taxable Assessed Value	Percentage Of Total District Net Assessed Value	Taxable Assessed Value	Percentage Of Total District Net Assessed Value
First Union National Bank	\$ 975,700	0.43%	\$	
Taxpayer 1	947,800	0.42%		
Taxpayer 2	944,900	0.42%		
Taxpayer 3	834,800	0.37%	Not Available	
Taxpayer 4	811,200	0.36%		
Taxpayer 5	775,800	0.35%		
Taxpayer 6	749,800	0.33%		
Wenonah Swmming Club	747,500	0.33%		
Taxpayer 7	745,200	0.33%		
Federal National Mtg Association	715,000	0.32%		
	<u>\$ 8,247,700</u>	<u>3.66%</u>	<u>\$ 0</u>	<u>0.00</u>

Source: Municipal Tax Assessor.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year Of the Levy*		Collections In Subsequent Year
		Current Amount	Percentage Of Levy	
2015	\$ 2,691,806.00	\$ 2,691,806.00	100.00%	\$ 0.00
2014	2,632,370.00	2,632,370.00	100.00%	0.00
2013	2,572,213.00	2,572,213.00	100.00%	0.00
2012	2,453,812.00	2,453,812.00	100.00%	0.00
2011	2,442,549.00	2,442,549.00	100.00%	0.00
2010	2,240,433.00	2,240,433.00	100.00%	0.00
2009	2,189,928.00	2,189,928.00	100.00%	0.00
2008	2,128,973.00	2,128,973.00	100.00%	0.00
2007	2,066,028.00	2,066,028.00	100.00%	0.00
2006	1,857,424.00	1,857,424.00	100.00%	0.00

Source: District records including the certificate and report of school taxes (A4F Form).

\* 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 WENONAH SCHOOL DISTRICT**  
**Ratios Of Outstanding Debt By Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Governmental Activities		Total District	Percentage Of Personal Income*	Per Capita*
	General Obligation Bonds **	Capital Leases			
2015	\$ 1,530,000.00	\$ 0.00	\$ 1,530,000.00	Not available	\$ Not available
2014	1,680,000.00	0.00	1,680,000.00	1.65%	743
2013	1,825,000.00	0.00	1,825,000.00	1.80%	805
2012	1,881,000.00	0.00	1,881,000.00	1.90%	828
2011	2,001,000.00	7,788.66	2,008,788.66	2.13%	883
2010	2,116,000.00	33,143.60	2,149,143.60	2.23%	912
2009	2,226,000.00	34,565.86	2,260,565.86	2.36%	959
2008	2,331,000.00	0.00	2,331,000.00	2.56%	994
2007	2,436,000.00	0.00	2,436,000.00	2.79%	1,045
2006	2,536,000.00	0.00	2,536,000.00	3.14%	1,093

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

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

\*\* Includes early retirement incentive plan (ERIP) refunding.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	General Obligation Bonds	Net General Bonded Debt Outstanding	Percentage Of Actual Taxable Value Of Property*	Per Capita**
2015	\$ 1,530,000.00	\$ 1,530,000.00	0.68%	\$ Not Available
2014	1,680,000.00	1,680,000.00	0.66%	747
2013	1,825,000.00	1,825,000.00	0.71%	808
2012	1,881,000.00	1,881,000.00	0.72%	830
2011	2,001,000.00	2,001,000.00	0.68%	880
2010	2,116,000.00	2,116,000.00	0.71%	930
2009	2,226,000.00	2,226,000.00	0.75%	944
2008	2,331,000.00	2,331,000.00	0.78%	989
2007	2,436,000.00	2,436,000.00	1.78%	1,039
2006	2,536,000.00	2,536,000.00	1.86%	1,087

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

\* See Exhibit J-6 for property tax data.

\*\* Population data can be found in Exhibit J-14.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2015**

	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share Of Overlapping Debt
Debt repaid with property taxes:			
Municipality - Borough of Wenonah	\$ 650,414.06	100.00%	\$ 650,414.06
Gloucester County general obligation debt	247,990,608.17	0.92%	2,275,667.16
Gateway Regional High School District	5,860,000.00	26.18%	1,534,103.70
Subtotal - overlapping debt			4,460,184.92
District's direct debt			1,530,000.00
Total direct and overlapping debt			<u>\$ 5,990,184.92</u>

Source: Assessed value data used to estimate applicable percentages provided by the Gloucester County Board of Taxation.

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 municipality. This process recognizes that, when considering the District's ability to issue and repay long-term debt, 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.

\* 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 outstanding debt.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
Legal Debt Margin Information  
Last Ten Fiscal Years**

Legal debt margin calculation for fiscal year 2015:

Equalized valuation basis:	
2014	\$ 233,733,161.00
2013	242,616,602.00
2012	<u>244,804,039.00</u>
	<u>\$ 721,153,802.00</u>

Average equalized valuation of taxable property \$ 240,384,600.67

Debt limit (2.5% of average equalized value)\* \$ 6,009,615.02  
Total net debt applicable to limit 1,530,000.00

Legal debt margin \$ 4,479,615.02

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debt limit	\$ 6,009,615.02	\$ 6,212,858.73	\$ 6,491,205.73	\$ 6,789,872.62	\$ 7,010,454.11	\$ 6,977,705.85	\$ 6,755,398.85	\$ 6,212,279.73	\$ 5,522,623.00	\$ 4,788,213.00
Total net debt applicable to limit	<u>1,530,000.00</u>	<u>1,680,000.00</u>	<u>1,825,000.00</u>	<u>1,881,000.00</u>	<u>2,001,000.00</u>	<u>2,116,000.00</u>	<u>2,226,000.00</u>	<u>2,331,000.00</u>	<u>2,436,000.00</u>	<u>2,536,000.00</u>
Legal debt margin	<u>\$ 4,479,615.02</u>	<u>\$ 4,532,858.73</u>	<u>\$ 4,666,205.73</u>	<u>\$ 4,908,872.62</u>	<u>\$ 5,009,454.11</u>	<u>\$ 4,861,705.85</u>	<u>\$ 4,529,398.85</u>	<u>\$ 3,881,279.73</u>	<u>\$ 3,086,623.00</u>	<u>\$ 2,252,213.00</u>
Total net debt applicable to the limit as a percentage of debt limit	25.46%	27.04%	28.11%	27.70%	28.54%	30.33%	32.95%	37.52%	44.11%	52.96%

Source: Equalized valuation bases were obtained from the annual report of the State of New Jersey, Department of Treasury, Division of Taxation.

\*Limit set by N.J.S.A. 18A:24-19 for a K-6 district; other percentage limits would be applicable for other district types.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Year	Population*	Personal Income**	Per Capita Personal Income***	Unemployment Rate****
2014	2,250	\$ Not available	\$ Not available	4.90%
2013	2,260	102,081,940.00	45,169.00	3.90%
2012	2,267	101,636,411.00	44,833.00	9.20%
2011	2,273	98,848,224.00	43,488.00	9.00%
2010	2,276	94,251,436.00	41,411.00	9.20%
2009	2,357	96,285,807.00	40,851.00	8.70%
2008	2,358	95,947,020.00	40,690.00	5.90%
2007	2,344	91,080,808.00	38,857.00	4.60%
2006	2,332	87,319,408.00	37,444.00	5.00%
2005	2,321	80,882,172.00	35,548.00	4.60%

\* Population information provided by the New Jersey Department of Labor and Workforce Development.

\*\* Personal income has been estimated based upon the municipal population and per capita personal income presented.

\*\*\* Per capita personal income by municipality estimated based upon the 2000 census published by the U.S. Bureau of Economic Analysis.

\*\*\*\* Unemployment data provided by the New Jersey Department of Labor and Workforce Development.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	2015		2006	
	Employees	Percentage Of Total Municipal Employment	Employees	Percentage Of Total Municipal Employment
Inspira Health	1,825	N/A	-	N/A
Kennedy Memorial Hospital	1,675	N/A	-	N/A
Washington Township School District	1,631	N/A	-	N/A
Rowan University	1,483	N/A	-	N/A
County of Gloucester	1,398	N/A	-	N/A
Missa Bay, L.L.C.	950	N/A	-	N/A
Monroe Township School District	807	N/A	-	N/A
U.S. Foodservices	725	N/A	-	N/A
ExxonMobil Research & Engineering	540	N/A	-	N/A
LeBrea Bakery	525	N/A	-	N/A
Eric N. Kuger, MD	-	N/A	45	N/A
Payso Corp.	-	N/A	39	N/A
Wenonah Volunteer Fire Department	-	N/A	33	N/A
Wenonah Board of Education	-	N/A	25	N/A
Lauda Chamber Signers, Inc.	-	N/A	25	N/A
Wyckoff Nester Partnership	-	N/A	14	N/A
Civalier Engineering	-	N/A	13	N/A
Salon Energes	-	N/A	12	N/A
Mary K. Hair Design	-	N/A	12	N/A
Joseph Galczynski, Jr.	-	N/A	7	N/A
<b>Total</b>	<b>11,559</b>		<b>225</b>	

Source: Gloucester County Office of Economic Development and Employer Directly and 2005-06 CAFR.

Note: The information provided for 2014-15 is for the County of Gloucester. Information at the municipal level is not readily available for 2014-15. The information provided for 2005-06 is for the Borough of Wenonah.

N/A - Information not available

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Full-Time Equivalent District Employees by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Instruction:										
Regular	19.2	18.7	19.8	19.9	19.9	20.4	20.4	20.4	17.0	18.6
Special education	4.0	5.2	4.6	6.0	5.5	2.0	2.0	2.0	2.0	2.0
Other special education	1.4	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support services:										
Student and instruction related services	9.3	9.2	8.0	6.1	4.9	7.8	7.8	7.8	1.1	1.1
General administration	1.8	1.8	1.8	1.8	1.8	1.7	1.7	1.7	1.7	1.7
School administration	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Central services	1.2	1.2	1.2	0.8	0.7	0.0	0.0	0.0	0.0	0.0
Plant operations and maintenance	3.4	3.3	2.8	2.6	2.6	2.0	2.3	2.3	0.0	0.0
Total	<u>40.5</u>	<u>40.1</u>	<u>38.8</u>	<u>37.5</u>	<u>35.7</u>	<u>34.2</u>	<u>34.5</u>	<u>34.5</u>	<u>22.1</u>	<u>23.7</u>

Source: District personnel records.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Operating Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Enrollment	Operating Expenditures*	Cost Per Pupil	Percentage Change	Teaching Staff**	Pupil/Teacher Ratio Elementary	Average Daily Enrollment***	Average Daily Attendance***	Percentage Change In Average Daily Enrollment	Student Attendance Percentage
2015	209	\$ 3,431,651.90	\$ 16,419	13.20%	24.5	8.53:1	208.25	200.41	-6.93%	96.24%
2014	227	\$ 3,292,575.33	14,505	9.80%	23.8	9.55:1	223.75	216.34	-8.79%	96.69%
2013	247	3,262,803.00	13,210	7.91%	23.3	10.62:1 10.62	245.30	235.20	-0.81%	95.88%
2012	245	2,999,182.33	12,242	5.01%	21.9	11.19:1	247.30	237.80	-1.20%	96.16%
2011	253	2,949,276.27	11,657	-2.00%	21.9	11.55:1	250.30	241.10	0.40%	96.32%
2010	253	3,009,524.34	11,895	2.23%	22.4	11.29:1	249.30	239.70	1.18%	96.15%
2009	246	2,862,542.25	11,636	7.12%	22.4	10.98:1	246.40	236.20	0.69%	95.86%
2008	246	2,672,154.48	10,862	0.81%	22.4	10.98:1	244.70	235.50	7.18%	96.24%
2007	234	2,521,483.00	10,776	9.46%	19.0	12.32:1	228.30	220.10	-2.48%	96.41%
2006	243	2,392,058.00	9,844	3.22%	20.6	11.80:1	234.10	224.70	3.63%	95.98%

Source: District's records.

Note: Enrollment based on annual October district count.

\* Operating expenditures equal total expenditures less debt service and capital outlay.

\*\* Teaching staff includes only full-time equivalents of certified staff.

\*\*\* Average daily enrollment and average daily attendance are obtained from the school register summary.

**BOROUGH OF WENONAH SCHOOL DISTRICT  
School Building Information  
Last Ten Fiscal Years**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District buildings:										
Elementary:										
Wenonah Elementary School (1895):										
Square feet	37,738	37,738	37,738	37,738	37,738	37,738	37,738	37,738	37,738	37,738
Capacity (students)	371	371	371	371	371	371	371	371	371	371
Enrollment	209	227	247	245	253	253	246	246	234	243

Number of schools at June 30, 2015:

  Elementary = 1

Source: District facilities office.

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October District count.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Schedule of Required Maintenance**  
**Last Ten Fiscal Years**

Undistributed Expenditures - Required Maintenance  
 For School Facilities  
 11-000-261-xxx

School Facilities*	Project Number	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Wenonah Elementary School	N/A	\$ 25,697.36	\$ 27,226.64	\$ 38,544.74	\$ 15,460.06	\$ 18,867.20	\$ 14,922.90	\$ 57,525.86	\$ 50,396.76	\$ 50,601.00	\$ 47,535.00
Total school facilities		<u>25,697.36</u>	<u>27,226.64</u>	<u>38,544.74</u>	<u>15,460.06</u>	<u>18,867.20</u>	<u>14,922.90</u>	<u>57,525.86</u>	<u>50,396.76</u>	<u>50,601.00</u>	<u>47,535.00</u>
Grand total		<u>\$ 25,697.36</u>	<u>\$ 27,226.64</u>	<u>\$ 38,544.74</u>	<u>\$ 15,460.06</u>	<u>\$ 18,867.20</u>	<u>\$ 14,922.90</u>	<u>\$ 57,525.86</u>	<u>\$ 50,396.76</u>	<u>\$ 50,601.00</u>	<u>\$ 47,535.00</u>

\* School facilities as defined under EFCFA. (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

Source: District records.

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Insurance Schedule**  
**June 30, 2015**  
*Unaudited*

	Coverage	GCSSDJIF Self Insured Retention	Deductible
School package policy - Gloucester, Cumberland, Salem School Districts Joint Insurance Fund*:			
Property, Inland Marine and Automobile physical damages	\$ 150,000,000.00	\$ 250,000.00	\$ 500.00
Property valuation:			
Buildings and contents	Replacement Cost	N/A	N/A
Contractors equipment	Actual Cash Value	N/A	N/A
Automobiles	Replacement Cost	N/A	N/A
Boiler and machinery	125,000,000.00	None	1,000.00
Crime	500,000.00	250,000.00	500.00
General and automobile liability	15,000,000.00	250,000.00	None
Worker's compensation	Statutory	250,000.00	None
Educator's legal liability	15,000,000.00	175,000.00	None
Pollution legal liability	3,000,000.00	None	25,000.00
Cyber liability	1,000,000.00	None	25,000.00
Public employees' faithful performance blanket position bond - The Hanover Insurance Group			
Board secretary/business administrator	140,000.00	-	N/A

\* Excess and reinsurance carriers involved:  
Property and crime

SPELLJIF, Great American Insurance Company  
Axis Surplus Insurance Company  
Westchester Surplus Lines Insurance Co.  
Alterra Excess & Surplus Insurance Co.  
Ironshore Specialty Insurance Company  
Steadfast Insurance Company  
RSUI Indemnity Company  
James River Insurance Company  
BRIT/Lloyd's of London  
Arch Specialty Insurance Company  
General liability and automobile liability  
SPELLJIF, Great American Insurance Company  
Workers compensation  
SPELLJIF, Great American Insurance Company  
Educator's legal liability  
SPELLJIF, Great American Insurance Company  
General Reinsurance Corp.

Group purchase of primary insurance coverage carrier array:  
Boiler and machinery  
Pollution legal liability  
Cyber liability  
Violent Malicious Acts

Travelers Insurance Company  
AIG/Commerce and Industry Insurance Company  
Beazley Insurance Company, Inc.  
Lloyd's of London

Source: District records.

## **Single Audit Section**

# PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants  
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028  
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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 Wenonah School District  
200 North Clinton Avenue  
Wenonah, New Jersey 08090

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 and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Borough of Wenonah School District, in the County of Gloucester, State of New Jersey, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Borough of Wenonah School District's basic financial statements, and have issued our report thereon dated November 20, 2015.

#### ***Internal Control over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies 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 Wenonah School District's 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 financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

### ***Purpose of this Report***

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

PETRONI & ASSOCIATES LLC



Nick L. Petroni  
Certified Public Accountant  
Licensed Public School Accountant #542

November 20, 2015

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## **REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULARS 04-04 AND/OR 15-08**

### **Independent Auditor's Report**

The Honorable President and  
Members of the Board of Education  
Borough of Wenonah School District  
200 North Clinton Avenue  
Wenonah, New Jersey 08090

#### ***Report on Compliance for Each Major State Program***

We have audited the Borough of Wenonah School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Borough of Wenonah School District's major state programs for the year ended June 30, 2015. The Borough of Wenonah School District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Borough of Wenonah School District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB Circulars 04-04 and/or 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards and OMB Circular A-133 and New Jersey OMB Circulars 04-04 and/or 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 state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Wenonah School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### ***Opinion on Each Major State Program***

In our opinion, the Borough of Wenonah School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2015.

### ***Report on Internal Control Over Compliance***

Management of Borough of Wenonah School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough of Wenonah School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with OMB Circular A-133, and New Jersey OMB Circulars 04-04 and/or 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 Wenonah School District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and New Jersey OMB Circular 04-04 and/or 15-08. Accordingly, this report is not suitable for any other purpose.

**Report on Schedules of Expenditures of Federal Awards and State Financial Assistance  
Required by OMB Circular A-133 and New Jersey OMB Circulars 04-04 and/or 15-08**

We have audited the financial statements Borough of Wenonah School District as of and for the year ended June 30, 2015, and have issued our report thereon dated November 20, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB Circulars 04-04 and/or 15-08 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditure of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

PETRONI & ASSOCIATES LLC



Nick L. Petroni  
Certified Public Accountant  
Licensed Public School Accountant #542

November 20, 2015

BOROUGH OF WENONAH SCHOOL DISTRICT  
 Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2014	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2015		
											Accounts Receivable	Unearned Revenue	Due to Grantor
U.S. Department of Education Passed-Through State Department of Education:													
Special Revenue Fund:													
Title II Part A	84.367A	NCLB559015	07/01/14-06/30/15	2,526.00	0.00	0.00	1,500.00	2,526.00	0.00	0.00	(1,026.00)	0.00	0.00
I.D.E.A. Part B, basic	84.027	IDEA559015	07/01/14-06/30/15	47,656.00	0.00	0.00	32,702.00	47,656.00	0.00	0.00	(14,954.00)	0.00	0.00
I.D.E.A. Part B, basic	84.027	IDEA559014	07/01/13-06/30/14	47,863.00	(8,958.00)	0.00	8,958.00	0.00	0.00	0.00	0.00	0.00	0.00
I.D.E.A. Part B, preschool	84.173	IDEA559015	07/01/14-06/30/15	3,255.00	0.00	0.00	2,929.00	3,255.00	0.00	0.00	(326.00)	0.00	0.00
I.D.E.A. Part B, preschool	84.173	IDEA559014	07/01/13-06/30/14	3,281.00	(1,727.00)	0.00	1,727.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Special Revenue Fund					(10,685.00)	0.00	47,816.00	53,437.00	0.00	0.00	(16,306.00)	0.00	0.00
Total U.S. Department of Education					(10,685.00)	0.00	47,816.00	53,437.00	0.00	0.00	(16,306.00)	0.00	0.00
Total federal financial awards					\$ (10,685.00)	\$ 0.00	\$ 47,816.00	\$ 53,437.00	\$ 0.00	\$ 0.00	\$ (16,306.00)	\$ 0.00	\$ 0.00

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

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Fiscal Year Ended June 30, 2015**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2014	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance at June 30, 2015			Memo	
									(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
General fund:													
Equalization aid	15-495-034-5120-078	07/01/14-06/30/15	\$ 348,977.00	\$ 0.00	\$ 0.00	\$ 348,977.00	\$ 348,977.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 34,168.97	\$ 348,977.00
Special education categorical aid	15-495-034-5120-089	07/01/14-06/30/15	140,582.00	0.00	0.00	140,582.00	140,582.00	0.00	0.00	0.00	0.00	13,766.46	140,582.00
Transportation aid	15-495-034-5120-014	07/01/14-06/30/15	1,070.00	0.00	0.00	1,070.00	1,070.00	0.00	0.00	0.00	0.00	104.78	1,070.00
Security aid	15-495-034-5120-084	07/01/14-06/30/15	3,555.00	0.00	0.00	3,555.00	3,555.00	0.00	0.00	0.00	0.00	348.12	3,555.00
Underadequacy aid	15-495-034-5120-096	07/01/14-06/30/15	120.00	0.00	0.00	120.00	120.00	0.00	0.00	0.00	0.00	11.75	120.00
Per pupil growth aid	15-495-034-5120-097	07/01/14-06/30/15	2,190.00	0.00	0.00	2,190.00	2,190.00	0.00	0.00	0.00	0.00	214.46	2,190.00
PARCC readiness aid	15-495-034-5120-098	07/01/14-06/30/15	2,190.00	0.00	0.00	2,190.00	2,190.00	0.00	0.00	0.00	0.00	214.46	2,190.00
Reimbursed T.P.A.F. social security contributions	14-495-034-5095-002	07/01/14-06/30/15	109,802.77	0.00	0.00	104,454.40	109,802.77	0.00	(5,348.37)	0.00	0.00	5,348.37	109,802.77
Reimbursed T.P.A.F. social security contributions	15-495-034-5095-002	07/01/13-06/30/14	99,777.16	(4,642.63)	0.00	4,642.63	0.00	0.00	0.00	0.00	0.00	0.00	99,777.16
On-behalf T.P.A.F. pension contributions	15-495-034-5095-006	07/01/14-06/30/15	75,019.00	0.00	0.00	75,019.00	75,019.00	0.00	0.00	0.00	0.00	0.00	75,019.00
On-behalf Post retirement medical contributions	15-495-034-5095-001	07/01/14-06/30/15	119,094.00	0.00	0.00	119,094.00	119,094.00	0.00	0.00	0.00	0.00	0.00	119,094.00
Reimbursement of nonpublic school transportation costs	-	07/01/14-06/30/15	2,088.00	0.00	0.00	0.00	2,088.00	0.00	(2,088.00)	0.00	0.00	2,088.00	2,088.00
Reimbursement of nonpublic school transportation costs	-	07/01/13-06/30/14	1,521.00	(1,521.00)	0.00	1,521.00	0.00	0.00	0.00	0.00	0.00	0.00	1,521.00
<b>Total general fund</b>				<u>(6,163.63)</u>	<u>0.00</u>	<u>803,415.03</u>	<u>804,687.77</u>	<u>0.00</u>	<u>(7,436.37)</u>	<u>0.00</u>	<u>0.00</u>	<u>56,265.37</u>	<u>905,985.93</u>
<b>Total state financial assistance</b>				<u>\$ (6,163.63)</u>	<u>\$ 0.00</u>	<u>\$ 803,415.03</u>	<u>\$ 804,687.77</u>	<u>\$ 0.00</u>	<u>\$ (7,436.37)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 56,265.37</u>	<u>\$ 905,985.93</u>

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

**BOROUGH OF WENONAH SCHOOL DISTRICT**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS**  
**AND FINANCIAL ASSISTANCE**  
**JUNE 30, 2015**

**NOTE 1 - GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include the activity of all federal and state award activity of the Board of Education, Borough of Wenonah School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies are included on the schedules of expenditures of federal awards and state financial assistance.

**NOTE 2 - BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$0.00 for the general fund and \$2,730.10 for the special revenue fund. See the Notes to Required Supplementary Information (Exhibit C-3) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general fund and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

**BOROUGH OF WENONAH SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2015**

**NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Concluded)**

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General fund	\$ -	\$ 204,249.77	\$ 204,249.77
Special revenue fund	<u>53,437.00</u>	<u>-</u>	<u>53,437.00</u>
Total awards and financial assistance	<u>\$ 53,437.00</u>	<u>\$ 204,249.77</u>	<u>\$ 257,686.77</u>

**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**

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, 2015. TPAF social security contributions represent the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2015.

**NOTE 6 - MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

BOROUGH OF WENONAH SCHOOL DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**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 that are not considered to be material weaknesses?        yes   X   none reported

Noncompliance material to 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 that are not considered to be material weaknesses?        yes        none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133?        yes        no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
-----------------------	---

Dollar threshold used to distinguish between type A and type B programs: \_\_\_\_\_

Auditee qualified as low-risk auditee?        yes        no

BOROUGH OF WENONAH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Section I - Summary of Auditor's Results (cont'd)**

**State Awards**

Dollar threshold used to distinguish between type A and type B programs: \$300,000

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 04-04?   yes  X  no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
495-034-5120-078	State Aid Public Cluster:
495-034-5120-089	Equalization Aid
495-034-5095-084	Special Education Aid
495-034-5120-096	Security Aid
495-034-5120-097	Under Adequacy Aid
495-034-5120-098	Per Pupil Growth Aid
	PARCC Readiness Aid

BOROUGH OF WENONAH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

***Section II – Financial Statement Findings***

No matters were reported.

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

No matters were reported.

BOROUGH OF WENONAH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

No matters were reported.