

**SCHOOL DISTRICT
OF
WEEHAWKEN**

Weehawken Board of Education
Hudson County, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

Comprehensive Annual

Financial Report

of the

Weehawken Board of Education

For the Fiscal Year Ended June 30, 2011

WEEHAWKEN BOARD OF EDUCATION
Fiscal Year Ended June 30, 2011

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BOARD OF EDUCATION
53 Liberty Place
Weehawken, NJ 07086

HWEY-HWEY "VICKY" GUO
Business Administrator/Board Secretary

Telephone 201-422-6125
Fax 201-422-6153

November 4, 2011

Honorable President and
Members of the Board of Education
Weehawken Board of Education
County of Hudson, New Jersey

Dear Board Members and Constituents of Weehawken:

The comprehensive annual financial report of the Weehawken Board of Education (the "Board") for the fiscal year ended June 30, 2011, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the Board. All disclosures necessary to enable the reader to gain an understanding of the Board'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 Board organizational chart and a list of principal officials. The financial section includes under the new Governmental Accounting Standard Board Statement No. 34, the Report of Independent Accountants, the Management Discussion and Analysis, the basic financial statements, required supplementary information, and the combining and individual fund financial statements. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey OMB's Circular 04-04 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's reports covering compliance with applicable laws, regulations and requirements, and internal control over compliance and financial reporting, as well as a schedule of related findings, are included in the single audit section of this report.

1.) REPORTING ENTITY AND ITS SERVICES: The Weehawken Board of Education 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 Board are included in this report. The Weehawken Board of Education and all its schools constitute the Board's reporting entity.

The Board provides a full range of educational services appropriate to grade levels K through 12. These include regular and special education for handicapped youngsters. The Board also provides preschool educational services. The Board completed the 2010-2011 fiscal year with an enrollment of 1,248 students, which are 34 more students than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2010-2011	1,248	2.80%
2009-2010	1,214	3.58%
2008-2010	1,172	1.74%
2007-2008	1,152	(1.02%)
2006-2007	1,166	1.03%

2.) ECONOMIC CONDITION AND OUTLOOK: The Township of Weehawken area is experiencing a period of economic stability. Its proximity to employment centers in New York City and northern New Jersey contribute towards maintaining a stable outlook.

3.) MAJOR INITIATIVES: Weehawken High School seniors continued to perform at a consistent rate on the Scholastic Aptitude Test (SAT). 97 percent of our 2011 graduates went on to further education – 49 percent to four-year institutions. The disadvantaged and special needs students are included in the above statistics. There are many programs available to these students and the students are made aware of them. The drop out rate has been below the state average. The 2010-2011 dropout rate was .3% percent.

4.) INTERNAL ACCOUNTING CONTROLS: Management of the Board is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statement in conformity with accounting principles generally accepted in the United States of America. Internal controls are 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 awards and state financial assistance, the Board also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal control is also subject to periodic evaluation by the Board management.

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

5.) BUDGETARY CONTROLS: In addition to internal accounting controls, the Board 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 Township of Weehawken. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements, accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2011.

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

7.) DEBT ADMINISTRATION: At June 30, 2011, the Board's outstanding debt issues included \$13,378,000 of general obligation bonds, and two loans from the New Jersey Economic Development Authority with a total outstanding amount of \$ 263,275.

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

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

10.) OTHER INFORMATION:

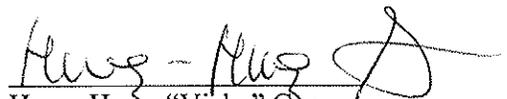
Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Garbarini & Co. P.C., CPA's, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996, and the related OMB Circular A-133 and New Jersey OMB's Circular 04-04. The auditor's report on the general - purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11.) ACKNOWLEDGMENT: We would like to express our appreciation to the members of the Weehawken Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,

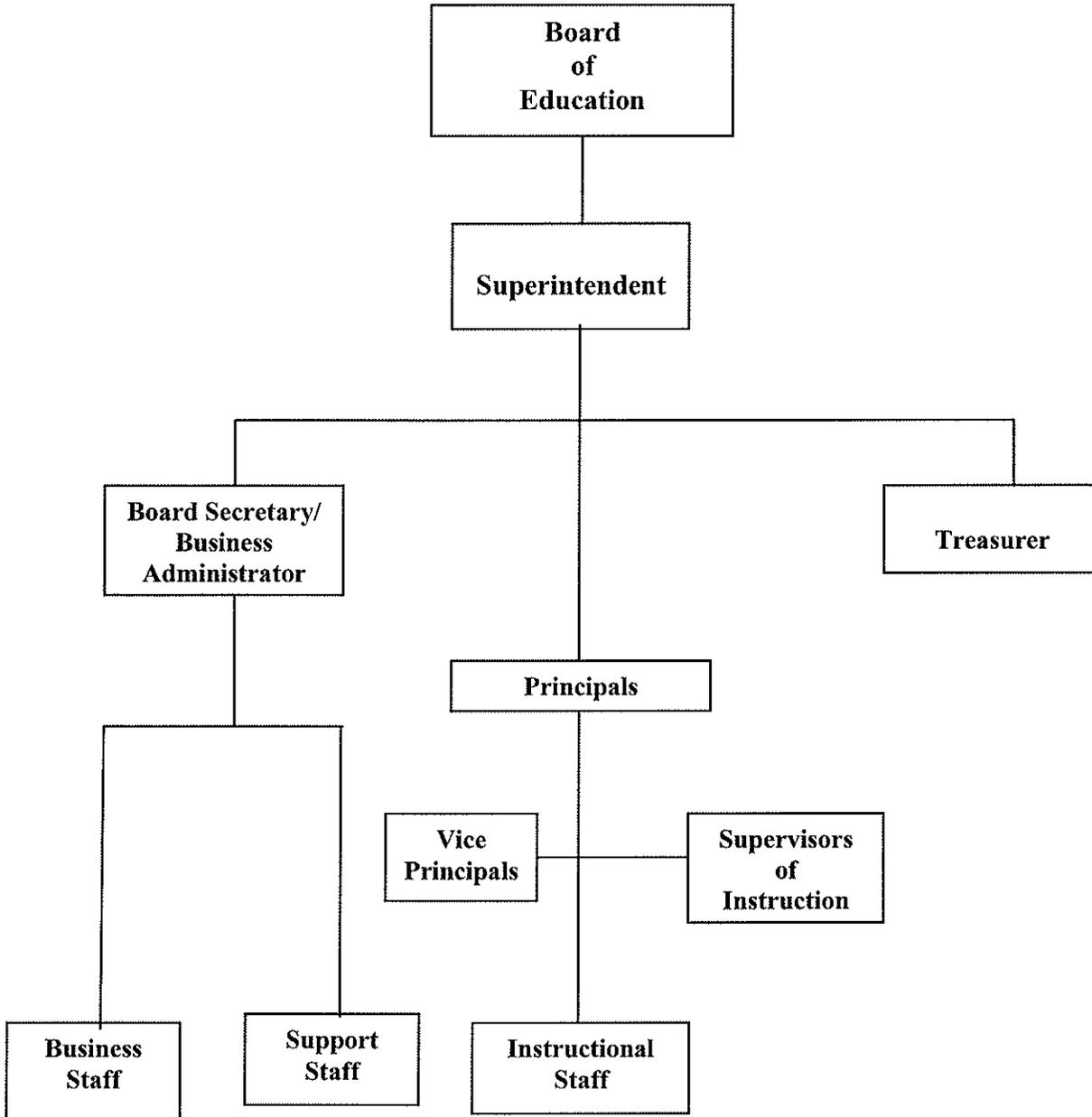


Kevin J. McLellan
Superintendent



Hwey-Hwey "Vicky" Gao
Board Secretary/
Business Administrator

WEEHAWKEN BOARD OF EDUCATION
WEEHAWKEN, NEW JERSEY
ORGANIZATIONAL CHART
JUNE 30, 2011



**WEEHAWKEN BOARD OF EDUCATION
WEEHAWKEN, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2011**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Richard Barsa, President	2012
Patricia Sullivan, Vice President	2013
John Cannata	2014
Mark Denfeld	2014
Susan Morales Jennings	2013
Francis Pizzuta	2013
Alma Martir.....	2014.....
Paul Salandra	2012
Joseph Rutigliano	2012

Other Officials

Kevin J. McLellan	Superintendent
Hwey-Hwey "Vicky" Guo	Board Secretary/Business Administrator
Lisa Toscano	Treasurer of School Moneys
The Law Offices of Joseph Ryglicki	Counsel

WEEHAWKEN BOARD OF EDUCATION

Consultants and Advisors

Audit Firm

Garbarini & Co. P.C. CPA's
Division Avenue & Route #17 South
Carlstadt, New Jersey 07072

Attorney

Law Offices of Joseph J. Ryglicki
115 River Road
Edgewater, New Jersey 07020

Official Depository

New Jersey Cash Management Fund
Harborside Financial Center
Plaza Two
Jersey City, New Jersey 07311-3977

Capital One Bank
4714 Park Avenue
Weehawken, New Jersey 07086

And

TD Bank
4200 Park Avenue
Weehawken, New Jersey 07086

FINANCIAL SECTION

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Weehawken School District
County of Hudson
Weehawken, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Weehawken School District, in the County of Hudson, State of New Jersey, as of and for the fiscal year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Weehawken Board of Education's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, and 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Weehawken Board of Education, in the County of Hudson, State of New Jersey, as of June 30, 2011, 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 United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2011 on our consideration of the Weehawken Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulation, 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 compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information on pages 10 through 19 and 58 through 62 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 inquires 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Weehawken Board of Education's financial statements as a whole. The introductory section, combining and individual non-major fund financial statements, long-term debt schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid respectively, and are also not a required part of the basic financial statements. The combining and individual non-major fund financial statements, long-term debt schedules and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 on accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Paul W. Garbarini, CPA
Registered Municipal Accountant
No. 534



Garbarini & Co. P.C.
Carlstadt, New Jersey
November 4, 2011

Required Supplementary Information

Part I

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The discussion and analysis of the Weehawken Board of Education's financial performance provides an overall review of the Weehawken Board of Education's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the Weehawken Board of Education's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the Weehawken Board of Education's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2011 are as follows:

- In total, net assets are \$2,040,656. Net assets of governmental activities are \$1,692,872. Net assets of the business-type activity, which represents food service, and Latchkey Program, are \$347,784. This reflects a decrease in Governmental Activities net assets in the amount of \$73,708, compared to fiscal year 2010.
- Governmental Funds Revenues total \$23,335,487 and the Local Tax Levy was \$17,141,458. State Revenue is \$4,332,989 and the Federal Revenue is \$1,341,799.
- The Weehawken Board of Education has experienced a slight increase in student enrollment. Actual enrollment for the year ended June 30, 2011 was 1,248, which reflects a 2.80 % increase from the previous year.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. This report is organized to show the reader the Weehawken Board of Education as a financial whole, or an entire operating entity.

The statement of net assets and statement of activities provide information about the activities of the whole Weehawken Board of Education, presenting both an aggregate view of the Weehawken Board of Education's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Weehawken Board of Education's most significant funds. For the Weehawken Board of Education, the General Fund is the most significant fund.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Reporting the Weehawken Board of Education as a Whole

Statement of Net Assets and Statement of Activities

While this report contains the large number of funds used by the Weehawken Board of Education to provide programs and activities, the view of the Weehawken Board of Education as a whole looks at all financial transactions and asks the question, "How did we do financially during the fiscal year 2011?" The statement of net assets and liabilities uses the accrual basis of accounting similar to the accounting system used by most private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash was received or paid.

These two statements report the Weehawken Board of Education's net assets and changes in those assets. This change in net assets is important because it identifies whether the financial position of the Weehawken Board of Education has improved or diminished for the Weehawken Board of Education as a whole. The cause of this change may be the result of many factors, some financial, some not. Non-financial factors include the Weehawken Board of Education's property tax base, current property tax laws in New Jersey, facility conditions, required educational programs, and other factors.

In the statement of net assets and the statement of activities, the Weehawken Board of Education is divided into two distinct kinds of activities:

Governmental Activities - Most of the Weehawken Board of Education's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities.

Business-Type Activity - This service is provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The Food Service enterprise fund and the Latchkey Program are reported as a business activity.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Reporting the Weehawken Board of Education's Most Significant Funds

Fund Financial Statement

Fund financial reports provide detailed information about the Weehawken Board of Education's major funds. The Weehawken Board of Education uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Weehawken Board of Education's most significant funds. The Weehawken Board of Education's major governmental funds are the General Fund, Special Revenue Fund, and Capital Project Fund.

Governmental Fund

Most of the Weehawken Board of Education's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year end for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Weehawken Board of Education's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or differences, between governmental activities reported in the statement of net assets and the statement of activities and the governmental funds is reconciled in the financial statements.

Enterprise Fund

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

The Weehawken Board of Education as a Whole

The perspective of the statement of net assets is of the Weehawken Board of Education as a whole. Table 1 provides a summary of the Weehawken Board of Education's net assets for 2011 with comparative totals for 2010.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Total assets equal \$16,722,892. Total assets for Governmental Activities is \$16,362,339. Total assets for Business Type Activities is \$360,553.

Table 1
Net Assets

	<u>Governmental</u> <u>Activities</u> 2011	<u>Business-type</u> <u>Activities</u> 2011	<u>Total</u> 2011	<u>Total</u> 2010	<u>Total</u> 2009
Assets:					
Current and Other Assets	\$ 2,379,002	\$ 309,375	\$ 2,688,377	\$ 3,256,858	\$ 5,017,527
Capital Assets, Net	<u>13,983,337</u>	<u>51,178</u>	<u>14,034,515</u>	<u>14,419,952</u>	<u>13,838,842</u>
Total Assets	<u><u>\$ 16,362,339</u></u>	<u><u>\$ 360,553</u></u>	<u><u>\$ 16,722,892</u></u>	<u><u>\$ 17,676,810</u></u>	<u><u>\$ 18,856,369</u></u>
Liabilities					
Current and Other Liabilities	\$ 724,792	\$ 12,769	\$ 737,561	\$ 1,007,062	\$ 1,583,940
Long-Term Liabilities	<u>13,944,675</u>	<u></u>	<u>13,944,675</u>	<u>14,713,361</u>	<u>14,651,934</u>
Total Liabilities	<u><u>\$ 14,669,467</u></u>	<u><u>\$ 12,769</u></u>	<u><u>\$ 14,682,236</u></u>	<u><u>\$ 15,720,423</u></u>	<u><u>\$ 16,235,874</u></u>
Net Assets:					
Invested in Capital Assets - Net of Related Debt	\$ 1,705,112	\$ 51,178	\$ 1,756,290	\$ 1,454,001	\$ 349,126
Restricted	1,026,787		1,026,787	1,768,896	3,424,191
Unrestricted	<u>(1,039,027)</u>	<u>296,606</u>	<u>(742,421)</u>	<u>(1,266,510)</u>	<u>(1,152,822)</u>
Total Net Assets	<u><u>\$ 1,692,872</u></u>	<u><u>\$ 347,784</u></u>	<u><u>\$ 2,040,656</u></u>	<u><u>\$ 1,956,387</u></u>	<u><u>\$ 2,620,495</u></u>

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Table 2 reflects the change in net assets for fiscal year 2011 with comparative data for 2010 and 2009.

Table 2
Changes in Net Assets

	Governmental Activities	Business-type Activities	Total	Total	Total
	2011	2011	2011	2010	2009
Revenues:					
Program Revenues:					
Charges for Services	\$ 65,523	\$ 236,028	\$ 301,551	\$ 230,027	\$ 191,796
Operating Grants and Contributions	5,573,243	265,909	5,839,152	6,283,133	6,118,619
Capital Grants and Contributions			-	285,000	
Total Program Revenues	<u>5,638,766</u>	<u>501,937</u>	<u>6,140,703</u>	<u>6,798,160</u>	<u>6,310,415</u>
General Revenues:					
Property Taxes	17,141,458		17,141,458	16,208,139	15,618,067
Rev. Local Gov't -Alloc. Capital Reserve			-	-	285,000
Grants and Entitlements - Not Received	101,545		101,545	3,406	(179,571)
Fixed Asset Retirements/Adjustments - Net	166,451	55,183	221,634		(1,636)
Adjustments: Capital Leases	14,130		14,130	18,120	
Miscellaneous	453,718		453,718	402,025	720,094
Total General Revenues	<u>17,877,302</u>	<u>55,183</u>	<u>17,932,485</u>	<u>16,631,690</u>	<u>16,441,954</u>
Total Revenues	<u>23,516,068</u>	<u>557,120</u>	<u>24,073,188</u>	<u>23,429,850</u>	<u>22,752,369</u>
Functional/Program Expenses:					
Instruction	12,287,277		12,287,277	12,385,214	12,199,312
Support Services:					
Pupil and Instructional Staff	4,739,864		4,739,864	4,277,763	4,112,307
Bd. of Ed., Admin. and Fiscal	2,646,351		2,646,351	2,766,312	2,581,732
Operation and Maintenance of Plant	1,825,255		1,825,255	1,817,501	2,020,034
Pupil Transportation	1,094,354		1,094,354	1,139,170	1,121,880
Unallocated Depreciation	144,419		144,419	92,037	91,160
Interest on Long-Term Debt	573,549		573,549	744,926	318,199
Capital Outlay - Not Capitalized	83,873		83,873	20,231	58,425
Capital Reserve transfer to Debt Service			-	285,000	
Special Education Job Fund	35,440		35,440		
Charter Schools	159,959		159,959	168,248	196,972
Food Service		343,918	343,918	343,446	427,015
Latchkey Program		55,225	55,225	61,997	31,850
Total Expenses	<u>23,590,341</u>	<u>399,143</u>	<u>23,989,484</u>	<u>24,101,845</u>	<u>23,158,886</u>
Excess (Deficiency) Before Special					
Items and Transfers	(74,273)	157,977	83,704	(671,995)	(406,517)
Special Items:					
Capital Grant - Capital Projects-Canceled			-	-	-
Transfers	565		565	7,887	66,346
Increase/(Decrease) in Net Assts	(73,708)	157,977	84,269	(664,108)	(340,171)
Net Assets - beginning of the year	1,766,580	189,807	1,956,387	2,620,495	2,960,666
Net Assets - end of the year	<u>\$ 1,692,872</u>	<u>\$ 347,784</u>	<u>\$ 2,040,656</u>	<u>\$ 1,956,387</u>	<u>\$ 2,620,495</u>

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The total decrease in Net Assets for Governmental Activities is \$ 73,708. The total increase in Net Assets for Business Type Activities is \$ 157,977. The net increase in Net Assets is \$ 84,269.

Governmental Activities

The statement of activities reflects the cost of the program services and the charges for services and sales, grants, and contributions offsetting those services. Table 3a, for Governmental Activities, indicates the total cost of services and the percentage cost of services. It identifies the cost of these services supported by tax revenues and unrestricted state entitlements.

Table 3a
Governmental Activities

	Total Cost of <u>Services</u> 2010-11	Percent of <u>Total</u>
Instruction	12,287,277	52.09%
Support Services:		
Pupil and Instructional Staff	4,739,864	20.09%
Administrative and Fiscal	2,646,351	11.22%
Operation and Maintenance of Plant	1,825,255	7.74%
Pupil Transportation	1,094,354	4.64%
Unallocated Depreciation	144,419	0.61%
Special Education Jobs Fund	35,440	0.15%
Capital Outlay	83,873	0.36%
Interest on Long-Term Debt	573,549	2.43%
Charter Schools	159,959	0.68%
Total Expenses	\$ 23,590,341	100.00%

The Governmental Activities in the above chart demonstrate that \$ 12,287,277 are allocated to School Based Budgets and are identified as Instruction. Additionally, Pupil and Instructional Staff activities are \$4,739,864. The combined resources from Instruction and Pupil and Instructional Staff total \$ 17,027,141.

Together the aforementioned categories account for 72.18 % of the Governmental Activities.

Pupil transportation costs reflect the cost for salaries, overtime, maintenance of fleet and contracted transportation services. The Weehawken Board of Education is a participant of the North Hudson Transportation Consortium with the Hudson County School of Technology.

To date Weehawken Board of Education has not been adversely impacted by Charter Schools. Currently the contribution to Charter Schools by the Weehawken Board of Education is \$ 159,959. Weehawken Board of Education sends a total of 14 students to two Charter Schools.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Business-Type Activity

	<u>Total Cost of Services</u> 2010-2011	<u>Percent of Total</u>
Revenue		
Charges for Services	\$ 236,028	42.37%
Operating Grants	265,909	47.73%
Total Revenue	501,937	
Fixed Asset Retirements/Adjustments Transfers	55,183	9.91%
Total Revenue and Transfers	\$ 557,120	100.00%
 Function/Program Expenses		
Food Service	343,918	86.16%
Latchkey Program	55,225	13.84%
Total Expenses	399,143	100.00%
Increase in Net Assets	\$ 157,977	
 Business-Type Activity		
Shortfall Prior to Transfer	\$ 157,977	

The business-type activities of the Weehawken Board of Education are the food service operation and Latchkey Program. These programs had revenues and transfers of \$ 557,120 and expenses of \$ 399,143 in fiscal year 2011. The cost of lunch room aides was moved to the general fund, therefore no transfers from general were needed to cover shortfalls.

The Weehawken Board of Education suggests that efforts continue to increase sales and reduce costs. The Weehawken Board of Education and school administrators are committed and have concentrated efforts to ensure that all students who are eligible for Free/Reduced lunch submit the proper forms for eligibility in a timely manner.

The Board of Education continues to examine the food service operation in effort to be self-operating without assistance from the General Fund. The business activity receives limited support from tax revenues.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Sources of Revenue

The local tax revenue has been relatively stable for several years. The dependence upon state revenue for governmental activities is apparent. For all governmental activities, state revenues support over 18 %. The community, as a whole, is 76% of the support and Federal revenue accounts for 6 % of the total cost of programs for Weehawken Board of Education students.

Table 4
Sources of Revenue

Fiscal Year	Local Tax	Other Local	State	Federal	
<u>Ended June 30</u>	<u>Levy</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Total</u>
2011	\$ 17,141,458	\$ 519,806	\$ 4,332,989	\$ 1,341,799	\$ 23,336,052

The total revenue from all sources is \$ 23,336,052.

The Weehawken Board of Education's Funds

The Weehawken Board of Education's governmental funds are accounted for using standards established by the Governmental Accounting Standard Board Memo No. 34. Total governmental funds had revenues and other financing sources of \$ 23,336,052 and expenditures and other financing uses of \$ 23,743,163. The positive fund balance for the year-end reflects that Weehawken Board of Education was able to meet current costs.

General Fund Budgeting Highlights

The Weehawken Board of Education's budget is prepared according to New Jersey law. Instruction, Early Childhood Program and District Central Office account for the majority of programs budgeted within the General Fund.

The Weehawken Board of Education's budget is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is General Fund.

For the General and Special Revenue Fund, final budgeted revenues and other financing sources, in the amount of \$ 21,981,421, were above original budgeted revenues and other financing sources. This was due to conservative federal aid estimates.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

General Fund Budgeting Highlights (Continued)

General Fund revenues and other financing sources were less than expenditures and other financing uses. This was partly due to Capital Project Fund Expenditures in the amount of \$ 311,157.

For the 2010-2011 District School Budget, \$ 657,675 of surplus was designated for subsequent years expenditures. The allocation and projection of allocation of surplus are in compliance with New Jersey Department of Education Budgetary Guidelines.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2011, the Weehawken Board of Education had \$ 13,983,337 invested in capital assets, for governmental activities. This amount represents a net decrease of \$435,283 compared to the prior year. This was mainly due to adjustments made to remove capital assets that were under the \$2,000 threshold after a new fixed asset inventory was completed during the current fiscal year. More detailed information about the Board's capital assets and depreciation is presented in Note 4 to the financial statements.

Debt

At June 30, 2011, the Weehawken Board of Education had \$ 13,005,304 in long-term debt and loans payable, and \$ 939,371 in short-term debt and loans payable, totaling \$ 13,944,675. Long-term liabilities as of June 30, 2011 included compensated absences payable, and capital lease obligations. More detailed information about the Board's long-term liabilities is presented in Note 5 of the financial statements.

**WEEHAWKEN BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Current Issues

The Weehawken Board of Education has been able to provide a quality education for the students in our community while adhering to financial guidelines that exhibit a strong fiscal philosophy. We are currently faced with the dilemma of increased academic requirements and only small increases in state aid for the last three years. Approximately seventy-six percent of our school budget is funded by local taxes, which during tough economic times makes it difficult to increase educational programs.

As always we will continue to meet the core curriculum content standards and help our children reach their maximum potential.

Contacting the Weehawken Board of Education's Financial Management

The Management Discussion and Analysis of this financial report is designed to provide citizens, taxpayers and investors with a snapshot of the Weehawken Board of Education's finances. Also, to reflect the Weehawken Board of Education's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to Kevin J. Mclellan, Superintendent of Schools, Weehawken Board of Education, 53 Liberty Place, Weehawken, NJ 07086.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Weehawken Board of Education
Statement of Net Assets
June 30, 2011

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 887,443	\$ 256,919	\$ 1,144,362
Receivables, net	1,218,486	46,074	1,264,560
Inventory		6,382	6,382
Restricted assets:			
Cash and cash equivalents	273,073		273,073
Capital assets: Land	602,575		602,575
Capital assets: Building & Impr., Machinery & Equipment (Net)	13,380,762	51,178	13,431,940
Total Assets	<u>16,362,339</u>	<u>360,553</u>	<u>16,722,892</u>
LIABILITIES			
Accounts payable	657,403	12,769	670,172
Payable to other funds	1,549		1,549
Deferred revenue	65,840		65,840
Noncurrent liabilities :			
Due within one year	939,371		939,371
Due beyond one year	13,005,304		13,005,304
Total liabilities	<u>14,669,467</u>	<u>12,769</u>	<u>14,682,236</u>
NET ASSETS			
Invested in capital assets, net of related debt	1,705,112	51,178	1,756,290
Restricted for:			
Debt service	8,455		8,455
Capital projects	255,189		255,189
Other purposes	763,143		763,143
Unrestricted	(1,039,027)	296,606	(742,421)
Total net assets	<u>\$ 1,692,872</u>	<u>\$ 347,784</u>	<u>\$ 2,040,656</u>

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

Weehawken Board of Education
Statement of Activities
For the Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	\$ 10,289,935		\$ 3,168,600		\$ (7,121,335)		\$ (7,121,335)
Special education	1,214,870		190,462		(1,024,408)		(1,024,408)
Other special instruction	291,271		45,669		(245,602)		(245,602)
Community Service					-		-
Other instruction	491,201		82,062		(409,139)		(409,139)
Support services:							
Tuition	2,119,925	65,523	467,973		(1,586,429)		(1,586,429)
Student & instruction related services	2,619,939		531,167		(2,088,772)		(2,088,772)
School administrative services	953,001		136,090		(816,911)		(816,911)
General and business administrative services	1,235,750		175,104		(1,060,646)		(1,060,646)
Central Services	457,600		71,251		(386,349)		(386,349)
Plant operations and maintenance	1,825,255		313,668		(1,511,587)		(1,511,587)
Pupil transportation	1,094,354		156,906		(937,448)		(937,448)
Charter Schools	159,959		35,311		(124,648)		(124,648)
Special Education Job Fund	35,440		35,440		-		-
Interest on long-term debt	573,549		163,540		(410,009)		(410,009)
Capital Outlay - Not Capitalized	83,873				(83,873)		(83,873)
Unallocated depreciation	144,419				(144,419)		(144,419)
Total governmental activities	<u>23,590,341</u>	<u>65,523</u>	<u>5,573,243</u>	<u>-</u>	<u>(17,951,575)</u>	<u>-</u>	<u>(17,951,575)</u>
Business-type activities:							
Food Service	343,918	104,099	265,909			26,090	26,090
Latchkey Program	55,225	131,929				76,704	76,704
Total business-type activities	<u>399,143</u>	<u>236,028</u>	<u>265,909</u>	<u>-</u>	<u>-</u>	<u>102,794</u>	<u>102,794</u>
Total primary government	<u>\$23,989,484</u>	<u>\$ 301,551</u>	<u>\$ 5,839,152</u>	<u>\$ -</u>	<u>\$ (17,951,575)</u>	<u>\$ 102,794</u>	<u>\$ (17,848,781)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net					16,039,198		16,039,198
Taxes levied for debt service					1,102,260		1,102,260
Federal and State aid not received					101,545		101,545
Miscellaneous Income					453,718		453,718
Adjustment : Capital Leases					14,130		14,130
Adjustment : Fixed Asset Retirements /Adjustments					166,451	55,183	221,634
Transfers					565		565
Total general revenues, special items, extraordinary items and transfers					<u>17,877,867</u>	<u>55,183</u>	<u>17,933,050</u>
Change in Net Assets					<u>(73,708)</u>	<u>157,977</u>	<u>84,269</u>
Net Assets—beginning					<u>1,766,580</u>	<u>189,807</u>	<u>1,956,387</u>
Net Assets—ending					<u>\$ 1,692,872</u>	<u>\$ 347,784</u>	<u>\$ 2,040,656</u>

FUND FINANCIAL STATEMENTS

Weehawken Board of Education
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local Tax Levy	\$ 16,039,198			\$ 1,102,260	\$ 17,141,458
Capital Reserve					-
Tuition charges	65,523				65,523
Miscellaneous	453,718				453,718
Total - Local Sources	16,558,439	-	-	1,102,260	17,660,699
State sources	3,723,747	445,702		163,540	4,332,989
Federal sources	62,180	1,279,619			1,341,799
Total revenues	20,344,366	1,725,321	-	1,265,800	23,335,487
EXPENDITURES					
Current:					
Regular instruction	\$ 6,216,273	\$ 1,444,973			\$ 7,661,246
Special education instruction	862,797				862,797
Other special instruction	206,883				206,883
Other instruction	371,743				371,743
Community service programs	-				-
Support services:					
Tuition	2,119,925				2,119,925
Student & instruction related services	1,683,439	143,804			1,827,243
School administrative services	616,488				616,488
Other administrative services	793,223				793,223
Central services	322,767				322,767
Plant operations and maintenance	1,420,923				1,420,923
Pupil transportation	959,545				959,545
Employee benefits	4,351,967	147,487			4,499,454
Transfer to charter school	159,959				159,959
Federal Education Jobs Fund	35,440				35,440
Debt service:					
Principal				758,596	758,596
Interest and other charges				573,549	573,549
Capital outlay	242,225		311,157		553,382
Total expenditures	20,363,597	1,736,264	311,157	1,332,145	23,743,163
Excess (Deficiency) of revenues over expenditures	(19,231)	(10,943)	(311,157)	(66,345)	(407,676)
OTHER FINANCING SOURCES (USES)					
Transfers in				565	565
Transfers out					-
Total other financing sources and uses	-	-	-	565	565
Net change in fund balances	(19,231)	(10,943)	(311,157)	(65,780)	(407,111)
Fund balance—July 1	1,461,802	(41,062)	566,346	74,235	2,061,321
Fund balance—June 30	\$ 1,442,571	\$ (52,005)	\$ 255,189	\$ 8,455	\$ 1,654,210

**Weehawken Board of Education
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended June 30, 2011**

Total net change in fund balances - governmental funds (from B-2) \$ (407,111)

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

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

	Depreciation expense	\$ (1,071,243)	
	State of NJ Payment of Debt Service Charged to Capital Outlay	(38,475)	
	Net Retirements/Adjustments to Fixed Assets	166,451	
	Adjustment For Fixed Assets Purchased From Fund 12 and Fund 30 Not Capitalized	(27,076)	
	Repayment of Capital Lease Charged to capital outlay	(18,322)	
	Capital outlay	<u>553,382</u>	
			(435,283)

Repayment of bond principal and capital leases are 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.

	Repayment of bond principal	758,596	
	Repayment of capital leases	<u>14,130</u>	
			772,726

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

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

	Compensated absences earned	<u>(4,040)</u>	
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Change in net assets of governmental activities \$ (73,708)

Weehawken Board of Education
Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-type Activities - Enterprise Funds		
	Food Service	Latchkey Program	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 55,275	\$ 201,644	\$ 256,919
Accounts receivable	46,074		46,074
Inventories	6,382		6,382
Total current assets	107,731.00	201,644	309,375
Noncurrent assets:			
Furniture, machinery & equipment	83,317		83,317
Less accumulated depreciation	(32,139)		(32,139)
Total noncurrent assets	51,178	-	51,178
Total assets	\$ 158,909	\$ 201,644	\$ 360,553
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 12,769		\$ 12,769
Total current liabilities	12,769	-	12,769
Total liabilities	12,769	-	12,769
NET ASSETS			
Invested in capital assets net of related debt	51,178		51,178
Unrestricted	94,962	201,644	296,606
Total net assets	146,140	201,644	347,784
Total liabilities and net assets	\$ 158,909	\$ 201,644	\$ 360,553

Weehawken Board of Education
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011

	Business-type Activities - Enterprise Fund		
	Food Service	Latchkey Program	Total Enterprise
Operating revenues:			
Charges for services:			
Daily sales - non-reimbursable programs	\$ 104,099		\$ 104,099
Community service activities		131,929	131,929
Total operating revenues	<u>104,099</u>	<u>131,929</u>	<u>236,028</u>
Operating expenses:			
Cost of sales	153,680		153,680
Salaries	98,100	55,225	153,325
Payroll Taxes	18,909		18,909
Repairs and maintenance	1,792		1,792
Administrative Fees	39,770		39,770
General supplies	26,330		26,330
Depreciation	5,337		5,337
Total Operating Expenses	<u>343,918</u>	<u>55,225</u>	<u>399,143</u>
Operating income (loss)	<u>(239,819)</u>	<u>76,704</u>	<u>(163,115)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	5,577		5,577
Federal sources:			
National school lunch program	244,117		244,117
Food distribution program	16,215		16,215
Adjustement of fixed assets	55,183		55,183
Total nonoperating revenues (expenses)	<u>321,092</u>	<u>-</u>	<u>321,092</u>
Income (loss) before contributions & transfers	81,273	76,704	157,977
Transfers in (out)	-	-	-
Change in net assets	81,273	76,704	157,977
Total net assets—beginning	64,867	124,940	189,807
Total net assets—ending	<u>\$ 146,140</u>	<u>\$ 201,644</u>	<u>\$ 347,784</u>

**Weehawken Board of Education
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011**

	Business-type Activities - Enterprise Funds		
	Food Service	Latchkey Program	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 104,099	\$ 131,929	\$ 236,028
Payments to employees	(98,100)	(55,225)	(153,325)
Payments for Payroll taxes/ Employee Benefits	(18,910)		(18,910)
Payments to suppliers	(222,344)		(222,344)
Net cash provided by (used for) operating activities	<u>(235,255)</u>	<u>76,704</u>	<u>(158,551)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	5,364		5,364
Federal Sources	217,649		217,649
Operating subsidies and transfers from/(to) other funds			-
Net cash provided by (used for) non-capital financing activities	<u>223,013</u>	<u>-</u>	<u>223,013</u>
Net increase (decrease) in cash and cash equivalents	(12,242)	76,704	64,462
Balances—beginning of year	67,517	124,940	192,457
Balances—end of year	<u>\$ 55,275</u>	<u>\$ 201,644</u>	<u>\$ 256,919</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (239,819)	\$ 76,704	\$ (163,115)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and net amortization	5,337		5,337
Food distribution program	16,215		16,215
(Increase) decrease in accounts receivable, net			
(Increase) decrease in inventories	4,082		4,082
Increase (decrease) in accounts payable	(21,070)		(21,070)
Total adjustments	<u>4,564</u>	<u>-</u>	<u>4,564</u>
Net cash provided by (used for) operating activities	<u>\$ (235,255)</u>	<u>\$ 76,704</u>	<u>\$ (158,551)</u>

**Weehawken Board of Education
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011**

	<u>Expendable Trust Funds</u>	<u>Nonexpendable Trust</u>	<u>Agency Funds</u>
ASSETS			
Cash and cash equivalents	\$ 12,726	\$ 1,000	\$ 139,018
Due from general fund	-		1,549
Total assets	<u>12,726</u>	<u>1,000</u>	<u>140,567</u>
LIABILITIES			
Accounts payable			
Interfund Payable - general fund			-
Payable to student groups			55,484
Payroll deductions and withholdings			85,083
Total liabilities	<u>-</u>	<u>-</u>	<u>\$ 140,567</u>
NET ASSETS			
Held in trust for other purposes	<u>\$ 12,726</u>		
Reserved for scholarships		<u>\$ 1,000</u>	

**Weehawken Board of Education
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2011**

	<u>Expendable Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS		
Investment earnings:		
Interest	\$ 28	\$ 1
Net investment earnings	<u>28</u>	<u>1</u>
Total additions	<u>28</u>	<u>1</u>
DEDUCTIONS		
Transfer to student activity fund	1,500	1
Total deductions	<u>1,500</u>	<u>1</u>
Change in net assets	(1,472)	-
Net assets—beginning of the year	<u>14,198</u>	<u>1,000</u>
Net assets—end of the year	<u><u>\$ 12,726</u></u>	<u><u>\$ 1,000</u></u>

NOTES TO FINANCIAL STATEMENTS

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of the Weehawken School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. To the extent practicable, accounting principles generally accepted in United States of America will be hereinafter referred to as "GAAP" for purposes of simplicity. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's Proprietary Funds have elected not to apply the standards issued by FASB after November 30, 1989.

The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Weehawken School District is a Type II district located in the County of Hudson, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-12. The Weehawken School District had an approximate enrollment at June 30, 2011 of 1,248 students.

GASB Statement 14 establishes criteria to be used to determine which component units should be included in the General Purpose Financial Statements of the oversight entity. The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards is whether:

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

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

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basic Financial Statements – District-Wide Statements:

The Board's basic financial statements include both district-wide (reporting the Board as a whole) and fund financial statements (reporting the Board's major funds). Both the district-wide and fund financial statements categorize primary activities as either governmental or business type. The Board's general operating services, special revenue, capital projects, debt service and non-expendable trust funds are classified as governmental activities. The Board's Food Service and Latchkey Program are classified as business-type activities.

The Statement of Net Assets and Statement of Activities display information about the reporting district as a whole. They include all funds of the reporting entity except for fiduciary funds and component units that are fiduciary in nature.

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

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

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

The Board does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.)

The district-wide focus is more on the sustainability of the Board as an entity and the change in the Board's net assets resulting from the current year's activities.

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 reserves, fund equity reserves, 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. The various funds are grouped, in the financial statements in this report, into six fund types within three broad fund categories as follows:

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued):

Governmental Funds

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

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that 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.

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 project, 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.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued):

Proprietary Fund

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 Fund of the District:

Enterprise Funds: The Enterprise Funds are utilized to account for operations that are financed and operated in manner similar to private business enterprises – where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund and the Extended Care Latchkey Program.

Internal Service Funds: Internal service funds are used to account for the financing of goods or services provided by an activity to other departments or funds on a cost-reimbursement basis. The district does not have internal service funds.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or non-current, associated with their activity are included on their balance sheets. Their reported net assets (net total assets) is segregated into invested capital assets, net of related debt, restricted for capital projects or unrestricted, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives for the Food Service Fund fixed assets are: Electronic equipment, 10 years; light furniture, 15 years; and heavy furniture, 20 years.

Fiduciary Funds

Fiduciary Funds are used to report assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds and therefore are not available to support District programs. The reporting focus is on net assets and changes in net assets and are reported using accounting principles similar to proprietary funds.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued):

Fiduciary Fund (Continued)

Expendable Trust Fund: An 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. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Expendable Trust Fund includes the Dorothy Nelinichok Scholarship Fund and Louis Ferullo Scholarship Fund.

Non-expendable Trust Fund: A Non-expendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. The District maintains a McGowan Award Scholarship Fund as a Nonexpendable Trust Fund.

Agency Funds: Agency Funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency Funds include Payroll and Student Activity Funds.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Board considers all governmental and business-type activities to be major.

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

D. Basis of Measurement and Accounting Focus:

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Measurement and Accounting Focus (Continued):

Measurement Focus

On the district-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds and expendable trust funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.
- c. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the district-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds, expendable trust funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after the year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for principal and interest on long-term debt which are reported when due.

Ad Valorem (Property) Taxes are susceptible to accrual, and under New Jersey 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 fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be “accounts receivable”.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Measurement and Accounting Focus (Continued):

Basis of Accounting (Continued):

All proprietary funds and non-expendable trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

E. Budgets / Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. 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)l. 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 following presents a reconciliation of the general fund revenues and special revenue funds revenue and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedules 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 year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognitions policy for the last state aid payment.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgets / Budgetary Control (Continued):

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 20,231,878	\$ 1,749,543
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(16,475)
Prior year encumbrances expended		3,196
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	(160,393)	(52,005)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	272,881	41,062
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 20,344,366	\$ 1,725,321
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 20,363,597	\$ 1,749,543
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		(16,475)
Prior year encumbrances expended		3,196
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to general fund.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 20,363,597	\$ 1,736,264

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Encumbrances:

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

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

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at 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.

G. 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 date of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

H. Tuition Receivable:

Tuition charges for the fiscal year 2010-2011 were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

I. Tuition Payable:

Tuition charges for the fiscal years 2010-2011 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors that will benefit periods beyond June 30, 2011. The district did not have any prepaid expenses at June 30, 2011.

K. Short-Term Interfund Receivables/Payables:

Short-Term Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District, and that are due within one year.

For the purpose of the Statement of Activities, all interfund transfers between individual funds have been eliminated.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fixed Assets:

During the year ended June 30, 1991, the District established a formal system of accounting for its general fixed assets. General fixed assets acquired or constructed subsequent to June 30, 1991 are recorded at original cost. General fixed assets acquired or constructed prior to the establishment of the formal system are evaluated at cost based on historical records or estimation procedures performed by an independent appraisal company. Donated fixed assets are valued at their estimated fair market value on the date received.

The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the district-wide or fund financial statements.

District-Wide Statements

In the district-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets acquired prior to June 30, 2002.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Building	50 years
Improvements	20 years
Machinery and Equipment	5-10 years

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the district-wide statements.

M. 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 right to the benefits.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Compensated Absences (Continued):

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for these compensated absences is recorded as long-term debt in the district-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources.

N. Deferred Revenue:

Deferred revenue in the General Fund represents unspent special revenue state grants, which are unspent from prior years. Deferred revenue in the special revenue fund represents cash, which has been received but not yet earned.

O. Long-Term Obligations:

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the district-wide or fund financial statements.

All long-term debt to be paid from governmental and business-type resources is reported as liabilities in the district-wide statement. The long-term debt consists primarily of bonds, loans accrued, compensated absences, early retirement incentives and obligations under capital lease.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The accounting for proprietary funds is the same in the fund statements as it is in the district-wide statements.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Equity Classifications:

District-Wide Statements

Equity is classified as net assets and displayed in three components:

- a) Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b) Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c) Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. Proprietary fund equity is classified the same as in the district-wide statements.

Q. Operating and Nonoperating Revenue:

Operating revenues for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue not related to capital and related financing, noncapital financing, or investing activities. Nonoperating revenues include reimbursements by the State for school breakfast, lunch and food distribution programs.

R. Expenditures/Expenses:

In the district-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character:	Current (further classified by function)
	Debt Service
	Capital Outlay
Proprietary Fund – By Operating and Nonoperating	

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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.

As of June 30, 2011, the District’s deposits and investments are summarized as follows:

Reconciliation to District-Wide Statement of Net Assets:	
Unrestricted Cash	\$ 1,144,362
Restricted Cash	273,073
Trust and Agency Fund Cash (Not included in District-Wide Statements)	152,745
	<u>\$ 1,570,180</u>

The District maintains its cash balances reflected in the balance sheets in three different financial institutions. The accounts are insured by the Federal Deposit Insurance Corporation up to \$ 250,000 in each financial institution. The remaining cash bank balance is covered by the State of New Jersey, Governmental Unit Deposit Act. All investments are available on demand.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued):

New Jersey Cash Management Fund - All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to maximize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. Securities in the Fund are insured, registered or held by the Division or its agent in the Fund's name.

As of June 30, 2011, the District had \$ 377,732 on deposit with the New Jersey Cash Management Fund.

As of June 30, 2011, the District implemented disclosure requirements of Governmental Accounting Standards Board Statement No. 40 *Deposits and Investment Risk Disclosures* (GASB 40) and, accordingly, the Authority has assessed the Custodial Credit Risk, the Concentration of Credit Risk, Credit Risk and Interest Rate Risk of its Cash and Cash Equivalents and Investments.

- (a) Custodial Credit Risk – The District deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: uncollateralized, collateralized with securities held by the pledging financial institution, collateralized with securities held by the financial institution's trust department or agent but not in the depository government's name. The deposit risk is that, in the event of the failure of the financial institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the District and are held by either: the counterparty or the counterparty's trust department or agent but not in the District's name. The investment risk is that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

As of June 30, 2011, the District's bank balance was not exposed to custodial credit risk since the full amount was covered by either FDIC insurance or GUDPA. The New Jersey Cash Management Fund which is administered by the State of New Jersey Department of the Treasury invests pooled monies from various State and non-State agencies in primarily short-term investments. The investments include: US Treasuries, Short-Term Commercial Paper, US Government Agency Bonds, Corporate Bonds, and Certificated of Deposits. Agencies that are part of the Fund typically earn returns that mirror short-term interest rates. The Fund is considered an investment pool and as such is not exposed to custodial credit risk. The District does not have a formal policy for deposit custodial credit risk other than to maintain sufficient funds in the checking account to cover checks that have not cleared the account as of a specific date.

As of June 30, 2011 there were no investments in the District's portfolio. The District does not have a formal policy for investment securities custodial risk other than to maintain a safekeeping account for the securities at a financial institution.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued):

- (b) Concentration of Credit Risk- This is the risk associated with the amount of investments the District has with any one issuer that exceed 5 percent or more of its total investments. Investments issued or explicitly guaranteed by the US government and investments in mutual funds, external investment pools, and other pooled investments were excluded from this requirement. The District places no limit on the amount it may invest in any one issuer. As of June 30, 2011, the District was not exposed to a concentration of credit risk.

- (c) Credit Risk – GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In general, the District does not have an investment policy regarding Credit Risk except to the extent previously outlined under the District’s investment policy. The New Jersey Cash Management Fund is not rated.

- (d) Interest Rate Risk – This is the risk that changes in the interest rates will adversely affect the fair value of investment. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations, but the District does from time to time evaluate its investment portfolio to determine if, based on the interest rate environment, other investments would provide higher yields that lower the cost and risk.

NOTE 3. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Township of Weehawken Board of Education through the adoption of a Board resolution, by inclusion of \$ 285,000 during June 30, 2009 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account was maintained in the general fund and its activity is included in the general fund annual budget during the fiscal year June 30, 2010. The annual budget for fiscal year ended June 30, 2010 included a withdrawal for Transfer to Debt Service for Repayment of Debt of the entire \$285,000.

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

There was no activity in the capital reserve account from July 1, 2010 to June 30, 2011.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 3. CAPITAL RESERVE ACCOUNT (CONTINUED):

Upon approval of the district's LRFP, capital reserve may also be transferred by board resolution to the debt service fund to offset principal and interest payments for bonded projects that are included in the district's approved LRFP. On September 15, 2010 the capital reserve balance of \$285,000 was transferred to debt service fund for the repayment of debt.

At June 30, 2011, LRFP balance of local support costs of uncompleted capital projects is \$ 0 . The withdrawals from the capital reserve were for use in a DOE approved facilities project for repayment of debt, consistent with the district's Long Range Facilities Plan.

NOTE 4. CAPITAL ASSETS AND DEPRECIATION

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the Board as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation bases for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets.

Donated capital assets are capitalized at estimated fair market value on the date donated. Capital outlay (Exhibit B-2) reconciles to additions in the fixed assets schedule of \$ 553,382, except for \$27,076, which was included in capital outlay for assets with values under the \$2,000 asset reporting limit, \$38,475 which was debt service aid withheld from the district's state aid payments, and \$18,322 which was payment of prior year capital lease principal.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: building, 50 years; improvements, 20 years; equipment 5 to 10 years.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 4. CAPITAL ASSETS AND DEPRECIATION (Continued)

Capital asset activity for the year ended June 30, 2011, was as follows:

	Balance July 1, 2010	Additions	Adjustment/ Disposals	Balance June 30, 2011
Governmental Activities:				
Land	\$ 602,575			\$ 602,575
Buildings & Building Improvements	21,201,735	286,781		21,488,516
Machinery & Equipment	3,027,243	182,728	(1,924,804)	1,285,167
Totals at Historic Cost	<u>24,831,553</u>	<u>469,509</u>	<u>(1,924,804)</u>	<u>23,376,258</u>
Less Accumulated Depreciation				
Buildings & Building Improvements	(7,861,140)	(961,485)		(8,822,625)
Machinery & Equipment	(2,551,793)	(109,758)	(2,091,255)	(570,296)
Total Accumulated Depreciation	<u>(10,412,933)</u>	<u>(1,071,243)</u>	<u>(2,091,255)</u>	<u>(9,392,921)</u>
Governmental Activities Capital Assets, Net	<u>\$ 14,418,620</u>	<u>\$ (601,734)</u>	<u>\$ (4,016,059)</u>	<u>\$ 13,983,337</u>
Business-type Activities:				
Machinery & Equipment	83,317			83,317
Totals at Historic Cost	83,317	-	-	83,317
Less Accumulate Depreciation				
Machinery & Equipment	(26,802)	(5,337)		(32,139)
Total Accumulated Depreciation	<u>(26,802)</u>	<u>(5,337)</u>	<u>-</u>	<u>(32,139)</u>
Business-type Activities Capital Assets, Net	<u>\$ 56,515</u>	<u>\$ (5,337)</u>	<u>\$ -</u>	<u>\$ 51,178</u>

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 4. CAPITAL ASSETS AND DEPRECIATION (Continued)

** Depreciation expense was charged to Governmental Activities as follows:

Instruction:	
Regular	\$ 224,951
Special Education	-
Other Instruction	-
Total Instruction	<u>224,951</u>
Support Services:	
Student & Instructional Related Services	129,789
School Administrative Services	19,003
General & Business Administrative Services	337,854
Operation & Maintenance of Plant	192,078
Student Transportation	23,149
Unallocated Depreciation	144,419
Total Support Services	<u>846,292</u>
Total Depreciation Expense	<u>\$ 1,071,243</u>

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 5. LONG-TERM DEBT

The Board's long-term debt is summarized as follows:

As of June 30, 2011, the governmental long-term debt of the Board consisted of the following:

Bonds Payable:		
Current Portion	\$	690,000
Non Current Portion		12,688,000
Loans Payable:		
Current Portion		85,583
Non Current Portion		177,691
Accrued Compensated Absences:		
Current Portion		148,923
Non Current Portion		107,527
Obligations Under Capital Leases		
Current Portion		14,865
Non Current Portion		32,086
Total Governmental Activity Debt	\$	13,944,675

As of June 30, 2011, there was no long-term debt payable from proprietary fund resources. During the Fiscal year ended June 30, 2011, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>June 30, 2010</u>	<u>Issued</u>	<u>Retired/ Adjustments</u>	<u>Balance</u> <u>June 30, 2011</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>	<u>Long</u> <u>Term</u> <u>Portion</u>
Bonds Payable	\$ 14,053,000		\$ (675,000)	\$ 13,378,000	\$ 690,000	\$ 12,688,000
Loans Payable	346,870		(83,596)	263,274	85,583	177,691
Obligations Under Capital Leases	61,081		(14,130)	46,951	14,865	32,086
Compensated Absences Payable	252,410	27,062	(23,022)	256,450	148,923	107,527
Total	\$ 14,713,361	\$ 27,062	\$ (795,748)	\$ 13,944,675	\$ 939,371	\$ 13,005,304

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 5. LONG-TERM DEBT (Continued)

A. Bonds Payable:

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

In October 1993, the District issued serial bonds for general improvements to the District's property and in July, 2003, the District issued pension serial bonds for early retirement incentives payable. Principal and interest due on those serial bonds outstanding are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	690,000	537,231	1,227,231
2013	725,000	510,801	1,235,801
2014	740,000	269,100	1,009,100
2015	660,000	456,314	1,116,314
2016	725,000	426,751	1,151,751
Thereafter	9,838,000	2,637,303	12,475,303
	<u>\$ 13,378,000</u>	<u>\$ 4,837,500</u>	<u>\$ 18,215,500</u>

B. Capital Leases:

On June 16, 2009, the Board signed two five-year leases for two school buses with the first payment due August 15, 2009. On August 15, 2010 one of the school bus leases was paid off. Principal and interest due on the capital lease obligations outstanding are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	14,865	2,441	17,306
2013	15,637	1,669	17,306
2014	16,449	857	17,306
	<u>\$ 46,951</u>	<u>\$ 4,967</u>	<u>\$ 51,918</u>

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 5. LONG-TERM DEBT (Continued)

D. Long Term Loans:

In August 1993, the Board was awarded two long-term loans by the New Jersey Economic Development Authority under the New Jersey Public School Facilities Loan Assistance Program for various improvements throughout the school district. Principal and interest due on these long term loans is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	85,583	8,120	93,703
2013	87,722	4,954	92,676
2014	89,969	1,672	91,641
	-		-
	\$ 263,274	\$ 14,746	\$ 278,020

NOTE 6. PENSION PLANS

Description of Plans – All required employees of the District are covered by either the Public Employees’ Retirement System or the Teachers’ Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers’ Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Teachers’ Pension and Annuity Fund (TPAF) – The Teachers’ Pension and Annuity Fund was established as of January 1, 1995, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers’ Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system’s other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 6. PENSION PLANS (Continued)

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

Vesting and Benefit Provisions – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation – Two pieces of legislation passed during the year ending June 30, 2002 had a significant impact on the benefit provisions under the PERS and TPAF. Chapter 133, P.L. 2002, increases retirement benefits for service, deferred and early retirement by changing the formula from 1/60 to 1/55 of final compensation for each year of service. This legislation also increases the retirement benefit for veteran members with 35 or more years of service and reduces the age qualification from 60 to 55. The legislation further provides that existing retirees and beneficiaries would also receive a comparable percentage increase in their retirement allowance. The benefit enhancements were effective with the November 1, 2002 benefit checks. Chapter 120, P.L.2002, establishes an additional retirements option for plan members. Under the new option, a retiree's actuarially reduced allowance (to provide a benefit to the retiree's beneficiary upon the death of the retiree) would "pop-up" to the maximum retirement allowance if the beneficiary predeceases the retiree.

Chapter 4, P.L. 2002 provides increased benefits to certain members of the PERS, who retired prior to December 29, 1989 with at least 25 years of creditable service. The maximum amount of the increase is 5 percent of the retiree's final compensation. For those with 30 or more years of service, the total pension would increase from 65 percent to 70 percent of final compensation.

Due to the enactment of 1997 legislation, Chapter 114, P.L. 1997 and Chapter 115, P.L. 1997, the State of New Jersey's portion of the unfounded accrued liability under each retirement system was eliminated. In addition, excess valuation assets were available to fund, in full or in part, the State of New Jersey's normal contribution from 1997 to 2001, excluding the contribution for post-retirement medical benefits in the PERS and TPAF.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 6. PENSION PLANS (Continued)

Contribution Requirements –The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The various pension funds provide for employee contributions based on percentages ranging from 3.00 percent to 8.50 percent of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT, CPF, and PAF. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the JRS, PFRS, PERS, SPRS, and TPAF. In the PERS and TPAF, the employer contribution includes funding for post-retirement medical premiums.

Three – Year Trend Information for PERS

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/11	\$ 171,088	100%	0
06/30/10	\$ 142,820	100%	0
06/30/09	118,762	100%	0

Three – Year Trend Information for TPAF

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/11	608,496	100%	0
06/30/10	592,375	100%	0
06/30/09	577,106	100%	0

During the fiscal year ended June 30, 2011, the State of New Jersey contributed \$ 608,496 to the TPAF for normal and post retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A: 66-66, the State of New Jersey reimbursed the District \$ 656,756 during the year ended June 30, 2011 for employer’s share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the general-purpose financial statements, and the combining and individual fund statements and schedules as a revenue and expenditure in accordance with GASB 27.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 7. POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2010, there were 87,288 retirees eligible for post-retirement medical benefits. 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 premiums changed from a prefunding 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 free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$ 126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in fiscal year 2010.

NOTE 8. COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years not to exceed \$7,000. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee union.

In the district-wide *Statement of Net Assets*, 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. The liability for vested compensated absences of the governmental fund types is recorded as a current and long-term liability. The current portion of the compensated absence balance is \$ 148,923 and long-term liability balance of compensated absences is \$ 107,527. The total balance of compensated absences payable was \$ 256,450 as of June 30, 2011.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, a liability existed for compensated absences in the Food Service Fund in the amount of \$ 0.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 9. DEFERRED COMPENSATION

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. 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: 1) Equitable; 2) Met Life; 3) Valic; and 4) Lincoln Investment.

NOTE 10. RISK MANAGEMENT

The District is exposed to various risk 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 through North Jersey Educational Insurance Fund for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

NOTE 11. INTERFUND RECEIVABLES AND PAYABLES

The following Interfund balances remained on the balance sheet at June 30, 2011:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 829,049	\$ 1,549
Special Revenue Fund		829,049
Capital Project Fund		565
Debt Service Fund	565	
Fiduciary Funds	1,549	
Total	<u>\$ 831,163</u>	<u>\$ 831,163</u>

The payroll agency interfund receivable in the General Fund was not eliminated, since Trust and Agency Funds are not included on The Statement of Net Assets.

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 12. INVENTORY

Ending inventory in the Food Service Fund at June 30, 2011 was \$ 6,382.

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984 as amended by the single audit act amendments of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

NOTE 13. FUND BALANCE APPROPRIATED

Fund Statements

General Fund (Exhibit B-1) – Of the \$1,442,571 General Fund balance at June 30, 2011, \$ 303,879 is committed and reserved for encumbrances; \$ 457,854 is restricted and reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7; \$459,264 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2012; and \$221,574 is unassigned and undesignated.

Capital Projects Fund – Of the \$255,189 Capital Project Fund balance at June 30, 2011, \$100,914 is committed and reserved for encumbrances; \$154,275 is unassigned and undesignated.

Debt Service Fund – Of the Debt service Fund balance at June 30, 2011, \$7,888 has been assigned and appropriated and included as anticipated revenue for the year ending June 30, 2012; and \$ 567 is unassigned and undesignated.

District-wide Statements

The following is a summary of adjustments made to the fund statements to arrive at the total net assets per the District-wide Statement of Net Assets:

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Fund Balance/Net Assets	\$ (12,240)	\$ 296,606	\$ 284,366
Add: Capital Assets, Net of A/D	13,983,337	51,178	14,034,515
Less: Long-Term Liabilities	(12,278,225)		(12,278,225)
Total Net Assets	<u>\$ 1,692,872</u>	<u>\$ 347,784</u>	<u>\$ 2,040,656</u>

WEEHAWKEN BOARD OF EDUCATION
Notes to Financial Statements
June 30, 2011

NOTE 14. CALCULATION OF EXCESS SURPLUS

Pursuant to N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2011 was \$ 457,854. The excess fund balance at June 30, 2010 was \$159,264.

NOTE 15. CONTINGENT LIABILITIES

Litigation

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the Board's management and of the Board's attorney, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

Grants

The Board received and continued to participate in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes and effective internal control for the proper administration of the funds. The Board is subject to the provisions of the Single Audit Act of 1984 and as amended by the Single Audit Act of 1996 and other related Federal requirements, and State of New Jersey requirements which require that financial assistance programs received by the Board be audited in conjunction with the audit of the general-purpose financial statements. In addition, substantially all grants, entitlements and costs reimbursements are subject to financial and compliance audits by the grantors. As of June 30, 2011, the Board estimates that no material liabilities will result from such audits.

NOTE 16. DEFICIT FUND BALANCES

The District has a deficit fund balance of \$(52,005) in the Special Revenue Fund as of June 30, 2011 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditures, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General and Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District does not have a deficit in the GAAP funds statements, and therefore is less than the last state aid payment.

Required Supplementary Information

Part II

BUDGETARY COMPARISON SCHEDULES

Weehawken Board of Education
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2011

Exhibit C-1

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 16,039,198	\$ -	\$ 16,039,198	\$ 16,039,198	\$ -
Tuition				65,523	65,523
Miscellaneous	363,770	-	363,770	453,718	89,948
Total - Local Sources	16,402,968	-	16,402,968	16,558,439	155,471
State Sources:					
Adjustment Aid	961,630	-	961,630	961,630	-
Transportation Aid	156,906	-	156,906	156,906	-
Special Education Aid	667,162	-	667,162	667,162	-
Security Aid	354,967	-	354,967	354,967	-
Extraordinary Aid	314,383	-	314,383	205,342	(109,041)
Other State Aid	-	-	-	-	-
TPAF Pension (On-Behalf - Non-Budgeted)	-	-	-	608,496	608,496
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	656,756	656,756
Total State Sources	2,455,048	-	2,455,048	3,611,259	1,156,211
Federal Sources:					
Federal Ed Jobs Funds	-	101,545	101,545	35,440	(66,105)
Medical Assistance Program	26,740	-	26,740	26,740	-
Total Federal Sources	26,740	101,545	128,285	62,180	(66,105)
Total Revenues	18,884,756	101,545	18,986,301	20,231,878	1,245,577
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of Teachers	488,410	(68,502)	419,908	410,738	9,170
Grades 1-5 - Salaries of Teachers	2,120,172	(89,717)	2,030,455	2,002,998	27,457
Grades 6-8 - Salaries of Teachers	1,430,815	(32,673)	1,398,142	1,391,032	7,111
Grades 9-12 - Salaries of Teachers	1,463,565	55,777	1,519,342	1,489,337	30,005
Regular Programs - Home Instruction					
Salaries of Teachers	22,000	-	22,000	16,643	5,357
Other Purchased Services (400-500 series)	500	100	600	117	483
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	118,870	-	118,870	118,331	539
Purchased Professional-Educational Services	54,250	(5,742)	48,508	42,464	6,044
Purchased Technical Services	76,800	32,448	109,248	108,467	781
Rentals	-	-	-	-	-
Other Purchased Services (400-500 series)	298,750	32,060	330,810	264,549	66,261
Travel	-	1,000	1,000	318	682
General Supplies	236,330	1,006	237,336	221,264	16,072
Textbooks	158,820	(17,023)	141,797	127,841	13,956
Other Objects	28,922	(918)	28,004	22,174	5,830
TOTAL REGULAR PROGRAMS - INSTRUCTION	6,498,204	(92,185)	6,406,019	6,216,273	189,746
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	174,250	(35,988)	138,262	130,031	8,231
Other Salaries for Instruction	89,891	505	90,396	90,396	-
General Supplies	3,875	3,281	7,156	6,426	731
Textbooks	4,625	(400)	4,225	4,114	111
Total Learning and/or Language Disabilities	272,641	(32,602)	240,039	230,966	9,073
Resource Room/Resource Center:					
Salaries of Teachers	467,785	22,728	490,513	490,513	-
Other Salaries for Instruction	114,440	17,420	131,860	131,860	1
Purchased Professional-Educational Services	-	-	-	-	-
General Supplies	5,000	1,457	6,457	5,622	835
Textbooks	23,365	(16,400)	6,965	3,835	3,130
Total Resource Room/Resource Center	610,590	25,205	635,795	631,830	3,965
TOTAL SPECIAL EDUCATION - INSTRUCTION	883,231	(7,396)	875,835	862,797	13,038
Bilingual Education - Instruction					
Salaries of Teachers	166,620	39,000	205,620	202,010	3,610
General Supplies	5,800	-	5,800	2,624	3,176
Textbooks	7,200	(3,000)	4,200	2,249	1,951
Total Bilingual Education - Instruction	179,620	36,000	215,620	206,883	8,737
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	83,170	2,732	85,902	77,414	8,488
Supplies and Materials	11,500	(4,318)	7,182	4,829	2,354
Other Objects	10,000	1,805	11,805	11,271	534
Total School-Spon. Cocurricular Actvts. - Inst.	104,670	219	104,889	93,513	11,376

Weehawken Board of Education
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2011

Exhibit C-1

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
School-Spon. Cocurricular Athletics - Inst.					
Salaries	\$ 242,382	\$ (45,222)	\$ 197,161	\$ 193,546	\$ 3,615
Supplies and Materials	64,400	(2,560)	61,840	52,928	8,912
Other Objects	35,800	2,133	37,933	16,756	21,177
Total School-Spon. Cocurricular Athletics - Inst.	342,582	(45,648)	296,934	263,230	33,704
Before and After School Programs- Instruction					
Salaries	15,000	-	15,000	15,000	-
Total Before and After School Programs- Instruction	15,000	-	15,000	15,000	-
Summer School Instruction					
Salaries	15,000	-	15,000	-	15,000
Total Summer School Instruction	15,000	-	15,000	-	-
Community Services Programs/Operations					
Salaries	12,000	(1,479)	10,521	-	10,521
Total Community Services Programs/Operations	12,000	(1,479)	10,521	-	10,521
TOTAL INSTRUCTION	8,050,307	(110,489)	7,939,817	7,657,695	267,122
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within the State - Special	952,000	(153,529)	798,471	776,671	21,800
Tuition to CSSD & Regional Day Schools	438,000	172,000	610,000	608,621	1,379
Tuition to Private Schools for the Disabled - Within State	772,762	(26,586)	746,176	703,882	42,293
Tuition to Private Schools for the Disabled & Other LEA - Spl./O/S St	-	-	-	-	-
Tuition - State Facilities	-	30,750	30,750	30,750	-
Total Undistributed Expenditures - Instruction:	2,162,762	22,634	2,185,396	2,119,925	65,472
Undistributed Expend. - Attend. & Social Work					
Salaries	48,460	-	48,460	47,512	948
Other Purchased Services (400-500 series)	1,000	-	1,000	526	474
Total Undistributed Expend. - Attend. & Social Work	49,460	-	49,460	48,038	1,422
Undist. Expend. - Health Services					
Salaries	182,705	(14,324)	168,381	166,840	1,541
Purchased Professional and Technical Services	450	-	450	-	450
Supplies and Materials	7,450	-	7,450	3,422	4,028
Other Objects	4,100	-	4,100	761	3,339
Total Undistributed Expenditures - Health Services	194,705	(14,324)	180,381	171,022	9,359
Undist. Expend. - Other Supp. Serv. Students - Related Serv.					
Salaries	144,200	-	144,200	133,172	11,028
Purchased Professional - Educational Service	60,000	5,199	65,199	54,527	10,672
Supplies and Materials	6,000	742	6,742	6,525	217
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	210,200	5,941	216,141	194,224	21,917
Undist. Expend. - Other Supp. Serv. Students-Reg.					
Salaries of Other Professional Staff	295,740	-	295,740	293,460	2,280
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-
Supplies and Materials	27,000	19,125	46,125	45,072	1,053
Total Undist. Expend. - Other Supp. Serv. Students-Reg.	322,740	19,125	341,865	338,532	3,333
Undist. Expend. - Other Supp. Serv. Students - Spl.					
Salaries of Other Professional Staff	333,390	-	333,390	329,572	3,818
Salaries of Secretarial and Clerical Assistants	36,720	-	36,720	27,206	9,514
Misc. Purchased Serv. (400 - 500 series Other than Resid. Costs)	500	132	632	354	278
Other Objects	8,000	-	8,000	4,857	3,143
Total Undist. Expend. - Other Supp. Serv. Students - Spl.	378,610	132	378,742	361,989	16,753
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	105,000	-	105,000	95,000	10,000
Salaries of Other Professional Staff	145,110	-	145,110	142,264	2,846
Total Undist. Expend. - Improvement of Inst. Serv.	250,110	-	250,110	237,264	12,846
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	210,650	-	210,650	208,500	2,150
Salaries of Technology Coordinators	110,050	-	110,050	105,667	4,383
Purchased Professional and Technical Services	2,400	-	2,400	246	2,154
Travel	-	500	500	297	203
Supplies and Materials	15,200	-	15,200	9,767	5,433
Other Objects	8,875	-	8,875	3,116	5,759
Total Undist. Expend. - Edu. Media Serv./Sch. Library	347,175	500	347,675	327,594	20,081
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Service	19,288	-	19,288	4,776	14,512
Total Undist. Expend. - Instructional Staff Training Serv.	19,288	-	19,288	4,776	14,512
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	252,875	-	252,875	243,568	9,307
Salaries of Attorneys	12,000	(5,000)	7,000	7,000	-
Other Professional Education Services	-	-	-	-	-
Legal Services	40,000	48,500	88,500	86,521	1,979
Audit Fees	65,000	2,000	67,000	65,000	2,000
Other Purchased Professional Services	35,760	8,470	44,230	42,101	2,129
Purchased Technical Services	4,500	5,500	10,000	5,270	4,730
Communications/Telephone	90,828	29,194	120,022	108,037	11,984
BOE Other Purchased Services	-	-	-	-	-
Travel	-	800	800	720	80
Other Purchased Services	3,500	(500)	3,000	-	3,000
Other Purchased Services (400-500 series)	33,000	-	33,000	31,073	1,927
General Supplies	15,000	2,043	17,043	13,244	3,799
Judgments Against School District	-	-	-	-	-
Miscellaneous Expenditures	43,000	(37,740)	5,260	3,918	1,342
BOE Membership Dues and Fees	15,000	(3,300)	11,700	10,035	1,665
Total Undist. Expend. - Supp. Serv. - General Admin.	610,463	49,967	660,430	616,488	43,941
Undist. Expend. - Support Serv. - School Admin.					

Wechawken Board of Education
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2011

Exhibit C-1

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
Salaries of Principals/Assistant Principals	573,270	-	573,270	564,882	8,388
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	198,260	-	198,260	195,181	3,079
Purchased Professional and Technical Services	5,000	(5,000)	-	-	-
Travel	-	750	750	458	292
Supplies and Materials	11,000	(5,500)	5,500	2,263	3,237
Other Objects	36,550	15,000	51,550	30,440	21,110
Total Undist. Expend. - Support Serv. - School Admin.	824,080	5,250	829,330	793,223	36,107
Undist. Expend. - Central Services					
Salaries	\$ 359,000	\$ -	\$ 359,000	\$ 322,767	\$ 36,233
Total Undist. Expend. - Central Services	359,000	-	359,000	322,767	36,233
Undist. Expend. - Allowable Maintenance for School Facilities					
Cleaning, Repair, and Maintenance Services	116,032	60,143	176,175	142,210	33,965
Purchase of Professional and Technical Services	-	-	-	-	-
Total Undist. Expend. - Allowable Maintenance for School Facilities	116,032	60,143	176,175	142,210	33,965
Undist. Expend. - Oth. Oper. & Maint. of Plant					
Salaries	558,852	(50,836)	508,016	495,618	12,398
Purchased Professional and Technical Services	70,000	26,730	96,730	92,650	4,081
Cleaning, Repair and Maintenance Services	13,400	20,260	33,660	22,647	11,013
Rental of Land and Buildings	-	-	-	-	-
Other Purchased Property Services	67,000	9,298	76,298	59,163	17,136
Insurance	140,000	4,792	144,792	144,792	-
Miscellaneous Purchased Services	1,000	-	1,000	-	1,000
General Supplies	67,000	23,985	90,985	82,946	8,039
Energy (Energy and Electricity)	113,800	96,832	210,632	168,873	41,759
Other Objects	19,000	(9,840)	9,160	4,989	4,171
Salaries of Non-Instructional Aides	125,000	-	125,000	92,334	32,666
Energy (Natural Gas)	124,200	31,000	155,200	102,222	52,978
Total Undist. Expend. - Other Oper. & Maint. Of Plant	1,299,252	152,222	1,451,474	1,266,233	185,240
Undist. Expend. - Security					
Salaries	12,730	-	12,730	12,480	250
Total Undist. Expend. - Security	12,730	-	12,730	12,480	250
Total Undist. Expend. - Oper. & Maint. Of Plant	1,428,014	212,364	1,640,378	1,420,923	219,455
Undist. Expend. - Student Transportation Serv.					
Salaries of Non-Instructional Aides	185,000	(185,000)	-	-	-
Sal. For Pup.Trans. (Bet. Home and School) - Regular	50,000	147,450	197,450	197,450	-
Sal. For Pup.Trans. (Bet. Home and School) - Special	-	50,000	50,000	49,974	26
Sal. For Pup. Trans. (Other than Bet. Home and School)	21,500	-	21,500	19,868	1,632
Health Benefits	80,000	-	80,000	80,000	-
Cleaning, Repair and Maintenance Services	65,000	(6,026)	58,974	47,558	11,416
Contract Services - (Between Home and School) - Vendors	560,000	-	560,000	525,821	34,179
Contract Services (Other than Between Home & School)-Vendors	24,200	(12,000)	12,200	842	11,358
Travel	-	300	300	22	278
Misc. Purchased Serv. - Transportation	25,000	(18,000)	7,000	2,575	4,425
Supplies and Materials	45,000	11,675	56,675	35,435	21,240
Total Undist. Expend. - Student Transportation Serv.	1,055,700	(11,601)	1,044,099	959,545	84,554
UNALLOCATED BENEFITS					
Social Security Contributions	240,000	-	240,000	199,194	40,806
T.P.A.F. Contributions - Regular	130,000	41,088	171,088	171,088	-
T.P.A.F. Contributions - ERIP	-	-	-	-	-
Other Retirement Contributions - Regular	-	-	-	-	-
Unemployment Compensation	35,000	410	35,410	35,410	-
Workmen's Compensation	130,000	(5,202)	124,798	123,572	1,226
Health Benefits	2,522,295	56,555	2,578,850	2,557,351	21,499
Tuition Reimbursement	15,000	-	15,000	100	14,900
Other Purchased Services	-	-	-	-	-
TOTAL UNALLOCATED BENEFITS	3,072,295	92,851	3,165,146	3,086,715	78,431
On-behalf TPAF pension Contributions (non-budgeted)	-	-	-	608,496	(608,496)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	656,757	(656,757)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	1,265,253	(1,265,253)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	3,072,295	92,851	3,165,146	4,351,968	(1,186,822)
TOTAL UNDISTRIBUTED EXPENDITURES	11,284,602	382,839	11,667,441	12,268,278	(600,837)
TOTAL GENERAL CURRENT EXPENSE	19,334,909	272,350	19,607,259	19,925,974	(318,715)
CAPITAL OUTLAY					
Facilities Acquisition and Construction Services					
Equipment - Grades 9-12	-	-	-	-	-
Equipment - School Sponsors and Other Instructional Program	-	3,000	3,000	2,700	300
Equipment - Undistributed. Expend. Operations & Maintenance of Plant Serv	-	-	-	-	-
Lease Purchase Agreements - Principal	22,950	(3,700)	19,250	18,322	928
Capital Reserve - Transfer to Repayment of Debt	-	-	-	-	-
Other Objects	38,475	-	38,475	38,475	-
Equipment - Non-Instruction	-	182,727	182,727	182,727	-
Total Facilities Acquisition and Construction Services	61,425	182,027	243,452	242,225	1,228
TOTAL CAPITAL OUTLAY	61,425	182,027	243,452	242,225	1,228

Weehawken Board of Education
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2011

Exhibit C-1

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
Transfer of Funds to Charter Schools	134,714	27,646	162,360	159,959	2,401
FEDERAL ED JOBS FUNDS					
TPAF FICA		10,340	10,340	4,526	5,814
Grades 1-5 - Salaries of Teachers		41,205	41,205	10,464	30,741
Ed Jobs Funds		50,000	50,000	20,450	29,550
	-	101,545	101,545	35,440	66,105
TOTAL EXPENDITURES	19,531,048	583,568	20,114,616	20,363,597	(248,981)
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	\$ (646,292)	\$ (482,023)	\$ (1,128,315)	\$ (131,719)	\$ 996,596
Other Financing Sources:					
Operating Transfer Out:					
Transfer to Food Service Fund		-	-	-	-
Transfer to Extended Care		-	-	-	-
Total Other Financing Sources:	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources (Uses)	(646,292)	(482,023)	(1,128,315)	(131,719)	996,596
Fund Balance, July 1	1,734,683	-	1,734,683	1,734,683	-
Fund Balance, June 30	<u>\$ 1,088,391</u>	<u>\$ (482,023)</u>	<u>\$ 606,368</u>	<u>\$ 1,602,964</u>	<u>\$ 996,596</u>
Recapitulation Fund Balance:					
Restricted Fund Balance:					
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 159,264	
Reserve for Excess Surplus				457,854	
Committed Fund Balance					
Year End Encumbrances				303,879	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				300,000	
Unassigned Fund Balance				381,967	
				1,602,964	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP basis				(160,393)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 1,442,571</u>	

Weehawken Board of Education
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 500,349	\$ -	\$ 500,349	\$ 465,681	\$ (34,668)
Federal Sources	945,818	349,544	1,295,362	1,283,862	(11,500)
Total Revenues	1,446,167	349,544	1,795,711	1,749,543	(46,168)
EXPENDITURES:					
Instruction					
Personal Services- Salaries		-			-
Salaries of Teachers	815,762	107,698	923,460	886,438	37,022
Other Salaries for Instruction		-			-
Purchased Professional and Technical Services	65,000	11,923	76,923	76,923	-
Other Purchased Services		-			-
Tuition	232,866	(11,923)	220,943	220,943	-
General Supplies	46,134	8,440	54,574	51,170	3,404
Other Purchased Services		207,143	207,143	207,143	-
Other Objects	1,341	-	1,341		1,341
Total Instruction	1,161,103	323,281	1,484,384	1,442,617	41,767
Support Services					
Salaries of Supervisor of Instruction	73,763	-	73,763	69,362	4,401
Salaries of Principals/Assis.		-			-
Salaries of Other Professional Staff		-			-
Salaries of Secretaries & Clerical Assistants	24,570	-	24,570	24,570	-
Personal Services - Salaries		-			-
Other Salaries	12,000	-	12,000	12,000	-
Personal Services - Employee Benefits	124,452	23,035	147,487	147,487	-
Purchased Professional - Technical Services		6,022	6,022	6,022	-
Purchased Professional - Educational Services	26,300	355	26,655	26,655	-
Rentals	2,310	-	2,310	2,310	-
Purchased Property Services		9,036	9,036	9,036	-
Contr. Serv.-Trans. (Bet. Home & Sch.)		-			-
Supplies & Materials	21,669	(12,185)	9,484	9,484	-
Total Support Services	285,064	26,263	311,327	306,926	4,401
Facilities Acquisition and Construction Services:					
Instructional Equipment	-	-	-	-	-
Total Facilities Acquisition and Construction Services	-	-	-	-	-
Transfer to Charter School					
		-			-
Total Expenditures	1,446,167	349,544	1,795,711	1,749,543	46,168
Other Financing Sources (Uses)					
Transfer in from General Fund	-	-	-	-	-
Transfer Out to Whole School Reform (General Fund)	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Total Outflows	1,446,167	349,544	1,795,711	1,749,543	46,168
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)	-	-	-	-	-

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**Weehawken Board of Education
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to Required Supplementary Information
For the Year Ended June 30, 2011**

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

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue"				
from the budgetary comparison schedule	[C-1]	\$ 20,231,878	[C-2]	\$ 1,749,543
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				(16,475)
Prior year encumbrances expended				3,196
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(160,393)		(52,005)
State aid payment recognized for GAAP Statement in the current year, previously recognized for budgetary purposes.		272,881		41,062
 Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	 [B-2]	 \$ <u>20,344,366</u>	 [B-2]	 \$ <u>1,725,321</u>
 Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 20,363,597	[C-2]	\$ 1,749,543
Difference - budget to GAAP:				
The district budgets for claims and compensated absences only to the extent expected to be paid, rather than on the modified accrual basis.				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.				(16,475)
Prior year encumbrances expended				3,196
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.				
Net transfers (outflows) to general fund				
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	 [B-2]	 \$ <u>20,363,597</u>	 [B-2]	 \$ <u>1,736,264</u>

OTHER SUPPLEMENTARY INFORMATION

ABBOTT SCHEDULES

These schedules have been omitted. The Weehawken Board of Education is a Non Abbott District.

SPECIAL REVENUE FUND

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specific purposes.

Weehawken Board of Education
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1a)	Title I 2010-2011	I.D.E.A. Part B Preschool 2010-2011	I.D.E.A. FT Part B-Basic 2010-2011	Title II, Part D IKE 2010-2011	Totals 2011
REVENUES						
State Sources	\$ 465,681	\$ -	\$ -	\$ -	\$ -	\$ 465,681
Federal Sources	443,946	524,620	303,718	10,374	1,204	1,283,862
Total Revenues	909,627	524,620	303,718	10,374	1,204	1,749,543
EXPENDITURES:						
Instruction:						
Salaries of Teachers	479,458	406,980				886,438
Personal Services - Salaries	-					-
Purchased Professional and Technical Services	-		76,923			76,923
Tuition	-		210,569	10,374		220,943
General Supplies	34,484	5,246	11,440			51,170
Other Purchased Services	207,143					207,143
Other Objects	-					-
Total instruction	721,085	412,226	298,932	10,374	-	1,442,617
Support services:						
Salaries of Supervisors of Instruction	68,359				1,003	69,362
Salaries of Principals/Assis.	-					-
Salaries of Other Professional Staff	-					-
Salaries of Sec. And Clerical Assis.	24,570					24,570
Personal Services - Salaries	-					-
Other Salaries	12,000					12,000
Personal Services - Employee Benefits	65,890	81,396			201	147,487
Purchased Professional - Technical Services	6,022					6,022
Purchased Professional - Educational Services	355	26,300				26,655
Rentals	2,310					2,310
Purchased Property Services	9,036					9,036
Supplies & Materials	-	4,698	4,786			9,484
Total support services	188,542	112,394	4,786	-	1,204	306,926

**Weehawken Board of Education
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011**

	<u>Total Brought Forward (Ex. E-1a)</u>	<u>Title I 2010-2011</u>	<u>I.D.E.A. Part B Preschool 2010-2011</u>	<u>I.D.E.A. FT Part B-Basic 2010-2011</u>	<u>Title II, Part D IKE 2010-2011</u>	<u>Totals 2011</u>
EXPENDITURES (CONT'D):						
Facilities acquisition and const. serv.:						
Instructional Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total facilities acquisition and const. serv.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer to Charter Schools	-					-
Total Expenditures	<u>909,627</u>	<u>524,620</u>	<u>303,718</u>	<u>10,374</u>	<u>1,204</u>	<u>1,749,543</u>
Other Financing Sources (Uses)						
Transfer In from General Fund	-					-
Contribution to Whole School Reform	-					-
	-	-	-	-	-	-
Total Outflows	<u>909,627</u>	<u>524,620</u>	<u>303,718</u>	<u>10,374</u>	<u>1,204</u>	<u>1,749,543</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

Weehawken Board of Education
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1b)	Title II, Part A CSR	Title III	Title IV Safe & Drug Free Schools and Communities	Title I ARRA 2009-2010	Totals 2011
REVENUES						
State Sources	\$ 465,681	\$ -	\$ -	\$ -	\$ -	\$ 465,681
Federal Sources	207,498	85,051	21,142		130,255	443,946
Total Revenues	673,179	85,051	21,142	-	130,255	909,627
EXPENDITURES:						
Instruction:						
Salaries of Teachers	307,384	70,876			101,198	479,458
Personal Services - Salaries	-					-
Purchased Professional and Technical Services	-					-
Tuition	-					-
General Supplies	13,342		21,142			34,484
Other Purchased Services	207,143					207,143
Other Objects	-					-
Total instruction	527,869	70,876	21,142	-	101,198	721,085
Support services:						
Salaries of Supervisors of Instruction	68,359					68,359
Salaries of Principals/Assis.	-					-
Salaries of Other Professional Staff	-					-
Salaries of Administrative and Clerical Assistants	24,570					24,570
Personal Services - Salaries	-					-
Other Salaries	12,000					12,000
Personal Services - Employee Benefits	28,680	14,175			23,035	65,890
Purchased Professional - Technical Services	-				6,022	6,022
Purchased Professional - Educational Services	355					355
Rentals	2,310					2,310
Purchased Property Services	9,036					9,036
Supplies & Materials	-					-
Total support services	145,310	14,175	-	-	29,057	188,542

continued

Weehawken Board of Education
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Year Ended June 30, 2011

	Total Brought Forward (Ex. E-1b)	Title II, Part A CSR	Title III	Title IV Safe & Drug Free Schools and Communities	Title I ARRA 2009-2010	Totals 2011
EXPENDITURES (CONT'D):						
Facilities acquisition and const. serv.:						
Instructional Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total facilities acquisition and const. serv.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer to Charter Schools	-					-
Total Expenditures	<u>673,179</u>	<u>85,051</u>	<u>21,142</u>	<u>-</u>	<u>130,255</u>	<u>909,627</u>
Other Financing Sources						
Transfer in from General Fund	-					-
Contribution to Whole School Reform	-					-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Outflows	<u>673,179</u>	<u>85,051</u>	<u>21,142</u>	<u>-</u>	<u>130,255</u>	<u>909,627</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Weehawken Board of Education
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2011**

	<u>I.D.E.A. FT Part B-Basic ARRA 2009-2010</u>	<u>I.D.E.A. Part B Preschool ARRA 2009-2010</u>	<u>NJ EIF Safety Grant Program</u>	<u>Preschool Program Aid</u>	<u>Peer Pride Counseling</u>	<u>Total Carried Forward</u>
REVENUES						
State Sources	\$ -	\$ -	\$ 9,036	\$ 445,645	\$ 11,000	\$ 465,681
Federal Sources	198,045	9,453				207,498
Total Revenues	<u>198,045</u>	<u>9,453</u>	<u>9,036</u>	<u>445,645</u>	<u>11,000</u>	<u>673,179</u>
EXPENDITURES						
Instruction:						
Salaries of Teachers				300,884	6,500	307,384
Personal Services - Salaries						-
Purchased Professional and Technical Services						-
Tuition						-
General Supplies				8,842	4,500	13,342
Other Purchased Services	197,690	9,453				207,143
Other Objects						-
Total instruction	<u>197,690</u>	<u>9,453</u>	<u>-</u>	<u>309,726</u>	<u>11,000</u>	<u>527,869</u>
Support services:						
Salaries of Supervisors of Instruction				68,359		68,359
Salaries of Principals/Assis.						-
Salaries of Other Professional Staff						-
Salaries of Administrative and Clerical Assistants				24,570		24,570
Personal Services - Salaries						-
Other Salaries				12,000		12,000
Personal Services - Employee Benefits				28,680		28,680
Purchased Professional - Technical Services						-
Purchased Professional - Educational Services	355					355
Rentals				2,310		2,310
Purchased Property Services			9,036			9,036
Supplies & Materials						-
Total support services	<u>355</u>	<u>-</u>	<u>9,036</u>	<u>135,919</u>	<u>-</u>	<u>145,310</u>
						continued
EXPENDITURES (CONT'D):						
Facilities acquisition and const. serv.:						
Instructional Equipment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Weehawken Board of Education
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Year Ended June 30, 2011

	I.D.E.A. FT Part B-Basic ARRA 2009-2010	I.D.E.A. Part B Preschool ARRA 2009-2010	NJ EIF Safety Grant Program	Preschool Program Aid	Peer Pride Counseling	Total Carried Forward
Total facilities acquisition and const. serv.	-	-	-	-	-	-
Transfer to Charter Schools						-
Total Expenditures	198,045	9,453	9,036	445,645	11,000	673,179
Other Financing Sources (Uses)						
Transfer in from General Fund						-
Contribution to Whole School Reform						-
	-	-	-	-	-	-
Total Outflows	198,045	9,453	9,036	445,645	11,000	673,179
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Wechawken Board of Education
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
For the Year Ended June 30, 2011

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 337,906	\$ 300,884	\$ 37,022
Other Salaries for Instruction			-
Other Purchased Services (400-500 series)			-
Tuition to Other LEAs within State			
General Supplies	11,746	8,842	2,904
Textbooks			-
Other Objects	1,341		1,341
Total instruction	<u>350,993</u>	<u>309,726</u>	<u>41,267</u>
Support services:			
Salaries of Supervisors of Instruction	72,760	68,359	4,401
Salaries of Program Directors			
Salaries of Other Professional Staff			-
Salaries of Secr. And Clerical Assistants	24,570	24,570	-
Other Salaries	12,000	12,000	-
Salaries of Community Parent Involvement Specialists			
Salaries of Master Teachers			
Personal Services - Employee Benefits	28,680	28,680	-
Purchased Professional - Educational Services			-
Other Purchased Professional Education - Services			
Rentals	2,310	2,310	-
Contr. Transportation Service (Betw. Home & Sch.)			
Contr. Transportation Service (Field Trips)			
Travel			
Supplies & Materials			-
Total support services	<u>140,320</u>	<u>135,919</u>	<u>4,401</u>
Total expenditures	<u>\$ 491,313</u>	<u>\$ 445,645</u>	<u>\$ 45,668</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2010-11 Preschool Education Aid Allocation	\$ 466,880
Add: Actual ECPA Carryover (June 30, 2010)	27,238
Add: Budgeted Transfer from the General Fund 2009-10	
Total Preschool Education Aid Funds Available for 2009-10 Budget	<u>494,118</u>
Less: 2010-11 Budgeted Preschool Education Aid (Including prior year budget carryover)	<u>(491,313)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2011	2,805
Add: Prior Year Unexpended Encumbrance	
Add: June 30, 2011 Unexpended Preschool Education Aid	45,668
2010-11 Actual Carryover - Preschool Education Aid/ Preschool	<u>\$ 48,473</u>
2010-11 Preschool Education Aid Carryover Budgeted in 2011-12	<u>\$ 2,805</u>

CAPITAL PROJECTS FUND

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

Wechawken Board of Education
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Basis
For the Year Ended June 30, 2011

Revenues and other Financing Sources

Bond Proceeds	
Other sources	
Total revenues	<u> -</u>

Expenditures and Other Financing Uses

Other purchased professional and technical services	2,692
Construction services	200,450
Legal services	-
Total expenditures	<u>203,142</u>

Excess (deficiency) of revenues over (under) expenditures	(203,142)
Fund balance - beginning	357,416
Fund balance - ending	<u><u>\$ 154,275</u></u>

Wechawken Board of Education
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Basis, and Project Status - Budgetary Basis
Various School Improvements-12/17/02
From Inception and for the Year Ended 6/30/11

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other Financing Sources				
State sources - SCC Grant	\$ 3,548,899		\$ 3,548,899	\$ 3,548,899
Bond proceeds and transfers	5,858,000		5,858,000	5,858,000
Other sources	301		301	301
Total revenues	<u>\$ 9,407,200</u>	<u>\$ -</u>	<u>\$ 9,407,200</u>	<u>\$ 9,407,200</u>
Expenditures and Other Financing Uses				
Other professional and technical services	923,580	950	924,530	995,363
Construction services	8,373,123		8,373,123	8,285,837
Legal services	1,540		1,540	126,000
Total expenditures	<u>\$ 9,298,243</u>	<u>\$ 950</u>	<u>\$ 9,299,193</u>	<u>\$ 9,407,200</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 108,957</u>	<u>\$ (950)</u>	<u>\$ 108,007</u>	<u>\$ -</u>
Additional project information:				
Project Number	5580-050-03-0457			
	5580-050-03-0458			
	5580-050-03-0459			
Grant Date	12/20/02			
Bond Authorization Date	07/09/04			
Bonds Authorized	5,858,000			
Bonds Issued	5,858,000			
Original Authorized Cost	9,471,513			
Additional Authorized Cost	-			
Revised Authorized Cost	9,471,513			
Percentage Increase over Original				
Authorized Cost	0%			
Percentage Completion	100%			
Original target completion date	1/1/05			
Revised target completion date	6/30/07			

Weehawken Board of Education
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Basis, and Project Status - Budgetary Basis
Various School Improvements-03/19/08
From Inception and for the Year Ended 6/30/11

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other Financing Sources				
State sources - SCC Grant	\$	\$	\$ -	
Bond Anticipation Note Proceeds			-	
Bond Proceeds Receivable			-	
Bond proceeds and transfers	7,500,000		7,500,000	7,500,000
Other sources			-	
Total revenues	<u>\$ 7,500,000</u>	<u>\$ -</u>	<u>\$ 7,500,000</u>	<u>\$ 7,500,000</u>
Expenditures and Other Financing Uses				
Other professional and technical services	1,232,621	1,742	1,234,363	773,905
Construction services	5,951,885	200,450	6,152,335	6,637,580
Legal services	67,035		67,035	88,515
Total expenditures	<u>\$ 7,251,541</u>	<u>\$ 202,192</u>	<u>\$ 7,453,733</u>	<u>\$ 7,500,000</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 248,459</u>	<u>\$ (202,192)</u>	<u>\$ 46,267</u>	<u>\$ -</u>
Additional project information:				
Project Number	5580-050-08-2000 5580-070-08-1000 5580-080-08-1000			
Grant Date	N/A			
Bond Authorization Date	3/19/2008			
Bonds Authorized	7,500,000			
Bonds Issued	7,500,000			
Original Authorized Cost	7,500,000			
Additional Authorized Cost	-			
Revised Authorized Cost	7,500,000			
Percentage Increase over Original Authorized Cost	0%			
Percentage Completion	99%			
Original target completion date	12/31/2009			
Revised target completion date	12/31/2011			

**Weehawken Board of Education
Capital Projects Fund
Summary Statement of Project Expenditures
For the Year Ended June 30, 2011**

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2011</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Various School Improvements	12/17/02	\$ 9,407,200	\$ 9,298,243	\$ 950	\$ 108,007
Various School Improvements	3/19/2008	<u>7,500,000</u>	<u>7,251,541</u>	<u>202,191</u>	<u>46,268</u>
		<u>\$ 16,907,200</u>	<u>\$ 16,549,784</u>	<u>\$ 203,141</u>	<u>\$ 154,275</u>

PROPRIETARY FUNDS

Proprietary funds are used to account for district activities that are similar to business operations in the private sector. There are two categories of proprietary funds – enterprise and internal service funds.

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

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

Extended Care Latchkey Program - This fund provides for the operation of an after school program for all children with the district who require these services.

Internal service funds are used to account for the financing of goods or services provided by one department or office to other departments or offices of the district board of education, or to other district boards of education and governmental units, on a cost-reimbursement basis.

Internal Service Fund - NON APPLICABLE

**Weehawken Board of Education
Enterprise Funds
Combining Statement of Net Assets
For the Year Ended June 30, 2011**

	Food Service	Latchkey Program	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 55,275	\$ 201,644	\$ 256,919
Accounts receivable:			
Federal	44,985		44,985
State	1,089		1,089
Other			-
Inventories	6,382		6,382
Total current assets	107,731	201,644	309,375
Noncurrent assets:			
Furniture, machinery & equipment	83,317		83,317
Less accumulated depreciation	(32,139)		(32,139)
Total noncurrent assets	51,178	-	51,178
TOTAL ASSETS	\$ 158,909	\$ 201,644	\$ 360,553
 LIABILITIES			
Current liabilities:			
Accounts payable	\$ 12,769		\$ 12,769
Total current liabilities	12,769	-	12,769
Total liabilities	12,769	-	12,769
 NET ASSETS			
Invested in capital assets net of related debt	51,178		51,178
Unrestricted	94,962	201,644	296,606
Total net assets	146,140	201,644	347,784
 TOTAL LIABILITIES AND NET ASSETS	 \$ 158,909	 \$ 201,644	 \$ 360,553

Weehawken Board of Education
Enterprise Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended June 30, 2011

	<u>Food Service</u>	<u>Latchkey Program</u>	<u>Total Enterprise</u>
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	\$ -	\$ -	\$ -
Daily sales - non-reimbursable programs	104,099		104,099
Community service activities		131,929	131,929
Total operating revenues	<u>104,099</u>	<u>131,929</u>	<u>236,028</u>
Operating expenses:			
Cost of sales	153,680		153,680
Salaries	98,100	55,225	153,325
Payroll Taxes/ Employee Benefits	18,909		18,909
Repairs and maintenance	1,792		1,792
Administration Fees	39,770		39,770
General Supplies	26,330		26,330
Depreciation	5,337		5,337
Total Operating Expenses	<u>343,918</u>	<u>55,225</u>	<u>399,143</u>
Operating income (loss)	<u>(239,819)</u>	<u>76,704</u>	<u>(163,115)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	5,577		5,577
Federal sources:			
National school lunch program	244,117		244,117
Food distribution program	16,215		16,215
Adjustment of fixed assets	55,183		55,183
Total nonoperating revenues (expenses)	<u>321,092</u>	<u>-</u>	<u>321,092</u>
Net Income (loss) before contributions & transfers	<u>81,273</u>	<u>76,704</u>	<u>157,977</u>
Operating Transfers			
Operating Transfers in (out) - General Fund			-
Change in net assets	<u>81,273</u>	<u>76,704</u>	<u>157,977</u>
Net assets—beginning	<u>64,867</u>	<u>124,940</u>	<u>189,807</u>
Net assets—ending	<u>\$ 146,140</u>	<u>\$ 201,644</u>	<u>\$ 347,784</u>

**Weehawken Board of Education
Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2011**

	<u>Food Service</u>	<u>Latchkey Program</u>	<u>Total Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 104,099	\$ 131,929	\$ 236,028
Payments to employees	(98,100)	(55,225)	(153,325)
Payments for Payroll Taxes/ Employee Benefits	(18,910)		(18,910)
Payments to suppliers	(222,344)		(222,344)
Net cash provided by (used for) operating activities	<u>(235,255)</u>	<u>76,704</u>	<u>(158,551)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	5,364		5,364
Federal Sources	217,649		217,649
Operating subsidies and transfers to other funds			-
Net cash provided by (used for) non-capital financing activities	<u>223,013</u>	<u>-</u>	<u>223,013</u>
Net increase (decrease) in cash and cash equivalents	(12,242)	76,704	64,462
Balances—beginning of year	67,517	124,940	192,457
Balances—end of year	<u>\$ 55,275</u>	<u>\$ 201,644</u>	<u>\$ 256,919</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (239,819)	\$ 76,704	\$ (163,115)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and net amortization	5,337		5,337
Food Distribution Program	16,215		16,215
(Increase) decrease in accounts receivable, net			-
(Increase) decrease in inventories	4,082		4,082
Increase (decrease) in accounts payable	(21,070)		(21,070)
Total adjustments	<u>4,564</u>	<u>-</u>	<u>4,564</u>
Net cash provided by (used for) operating activities	<u>\$ (235,255)</u>	<u>\$ 76,704</u>	<u>\$ (158,551)</u>

FIDUCIARY FUNDS

Fiduciary funds report assets that are held in a trustee or agency capacity for the external parties and that cannot be used to support the government's own programs.

Trust and agency funds are used to account for resources held and administered by a school district when it acts in a fiduciary capacity. Trust funds are used to account for assets held by the district as an agent for individuals or other funds.

**Scholarship Trust Fund -
(Patricia Bohan-Lewis Scholarship)
(Louis Ferullo Scholarship)
(Dorothy Nelnichok Scholarship)** **This is an expendable trust fund used to account for asset held by the district for grants to students where there are no restrictions regarding the use of principal and income.**

**Nonexpendable Trust Fund -
(McGowan Award)** **This is a scholarship fund used to account for assets held by the district under the terms of a formal trust agreement, whereby the district is under the obligation to maintain the trust principal.**

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

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

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

**Weehawken Board of Education
Fiduciary Funds
Combining Statement of Fiduciary Net Assets
June 30, 2011**

	<u>Expendable Trust</u>		<u>Nonexpendable Trust</u>	<u>Agency</u>		<u>Total</u>
	<u>Louis Ferullo Scholarship Fund</u>	<u>Dorothy Nelnichok Scholarship Fund</u>	<u>McGowan Award Scholarship Fund</u>	<u>Student Activity</u>	<u>Payroll</u>	<u>2011</u>
ASSETS:						
Cash and Cash Equivalents	\$ 12,068	\$ 658	\$ 1,000	\$ 55,484	\$ 83,534	\$ 152,745
Due From General Fund				-	1,549	1,549
TOTAL ASSETS	<u>\$ 12,068</u>	<u>\$ 658</u>	<u>\$ 1,000</u>	<u>\$ 55,484</u>	<u>\$ 85,083</u>	<u>\$ 154,294</u>
LIABILITIES AND NET ASSETS:						
Liabilities:						
Payroll Deductions and Withholdings	\$ -	\$ -	\$ -	\$ -	\$ 85,083	\$ 85,083
Due to Student Groups	-	-	-	55,484	-	55,484
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,484</u>	<u>85,083</u>	<u>140,567</u>
Net Assets:						
Reserved - Principal Portion						
Nonexpendable Trust			1,000	-	-	1,000
Unreserved	12,068	658		-	-	12,726
Total Net Assets	<u>12,068</u>	<u>658</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>13,726</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 12,068</u>	<u>\$ 658</u>	<u>\$ 1,000</u>	<u>\$ 55,484</u>	<u>\$ 85,083</u>	<u>\$ 154,294</u>

**Weehawken Board of Education
 Nonexpendable Trust Fund - Scholarship
 Combining Statement of Changes in Fiduciary Net Assets
 For the Year Ended June 30, 2011**

	McGowan Award Scholarship Fund <hr style="width: 100%;"/>
Additions:	
Investments Earning:	
Interest on Investments	\$ 1 <hr style="width: 100%;"/>
Total Additions	1 <hr style="width: 100%;"/>
Deductions:	
Transfer to Student Activity Fund	1 <hr style="width: 100%;"/>
Total Deductions	1 <hr style="width: 100%;"/>
 Change in Net Assets	- <hr style="width: 100%;"/>
 Net Assets - beginning of the year	1,000 <hr style="width: 100%;"/>
 Net Assets - end of the year	\$ 1,000 <hr style="width: 100%;"/>

**Weehawken Board of Education
Expendable Trust Funds
Combining Statements of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2011**

	Louis Ferullo Scholarship Fund	Dorothy Nelnichok Scholarship Fund	Total
Additions:			
Interest on Investments	\$ 26	\$ 2	\$ 28
Total Additions	<u>26</u>	<u>2</u>	<u>28</u>
Deductions:			
Transfer to HS Activities Fund	1,000	500	1,500
Expenditures			
Total Deductions	<u>1,000</u>	<u>500</u>	<u>1,500</u>
Change in Net Assets	(974)	(498)	(1,472)
Net Assets - beginning of the year	<u>13,042</u>	<u>1,156</u>	<u>14,198</u>
Net Assets - end of the year	<u>\$ 12,068</u>	<u>\$ 658</u>	<u>\$ 12,726</u>

**Weehawken Board of Education
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Year Ended June 30, 2011**

	<u>Balance June 30, 2010</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2011</u>
Elementary School				
Roosevelt	\$ 2,471	\$ 1,623	\$ 840	\$ 3,254
Webster	2,085	14,346	9,954	6,477
Total Elementary School	<u>4,556</u>	<u>15,969</u>	<u>10,794</u>	<u>9,731</u>
High School				
Weehawken High School: General Activity Fund	<u>32,975</u>	<u>131,939</u>	<u>119,160</u>	<u>45,753</u>
Total High School	<u>32,975</u>	<u>131,939</u>	<u>119,160</u>	<u>45,753</u>
Total Cash and Cash Equivalents	<u>\$ 37,531</u>	<u>\$ 147,908</u>	<u>\$ 129,954</u>	<u>\$ 55,484</u>

**Weehawken Board of Education
Payroll Agency Fund
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2011**

	<u>Balance, June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2011</u>
ASSETS:				
Cash and Cash Equivalents	\$ 93,518	\$ 12,798,919	\$ 12,808,903	\$ 83,534
Due from General Fund		1,549		1,549
TOTAL ASSETS	<u>\$ 93,518</u>	<u>\$ 12,800,468</u>	<u>\$ 12,808,903</u>	<u>\$ 85,083</u>
LIABILITIES:				
Net Payroll	\$ -	\$ 7,267,515	\$ 7,267,515	\$ -
Payroll Deductions and Withholdings	91,455	5,388,569	5,394,941	85,083
Interfund Payable - General Fund	2,063	144,385	146,448	-
TOTAL LIABILITIES	<u>\$ 93,518</u>	<u>\$ 12,800,468</u>	<u>\$ 12,808,903</u>	<u>\$ 85,083</u>

LONG-TERM DEBT

Long-term debt is used to record the outstanding principal balances of the general long-term liabilities of the school district.

This includes serial bonds outstanding, loans outstanding, and the outstanding principal balance on capital leases, and activity for debt service of the school district.

Weehawken Board of Education
Long-Term Debt
Schedule of Serial Bonds
For the Year Ended June 30, 2011

Issue	Date of Issue	Amount of Issue	Annual Maturates		Interest Rate (%)	Balance June 30, 2010	Issued	Retired	Balance June 30, 2011
			Date	Amount					
General Improvements	10/01/93	\$ 1,560,000	10/01/11	80,000	5.250%	\$ 360,000	\$ -	\$ 80,000	\$ 280,000
			10/01/12-13	100,000	5.250%				
General Improvements	07/30/03	\$ 5,858,000	07/15/11	270,000	3.350%	4,698,000	-	260,000	4,438,000
			07/15/12	280,000	3.350%				
			07/15/13	290,000	3.350%				
			07/15/14	300,000	3.350%				
			07/15/15	310,000	3.400%				
			07/15/16	325,000	3.500%				
			07/15/17	335,000	3.600%				
			07/15/18	350,000	3.625%				
			07/15/19	365,000	3.850%				
			07/15/20	380,000	3.900%				
			07/15/21	395,000	3.950%				
			07/15/22	410,000	4.000%				
			07/15/23	428,000	4.000%				
Pension Bonds Series 2003	07/15/03	\$ 2,060,000	04/15/12	90,000	5.200%	\$ 1,495,000	\$ -	\$ 85,000	\$ 1,410,000
			04/15/13	95,000	5.350%				
			04/15/14	100,000	5.850%				
			04/15/15	110,000	5.850%				
			04/15/16	115,000	5.850%				
			04/15/17	125,000	5.850%				
			04/15/18	130,000	5.850%				
			04/15/19	140,000	5.850%				
			04/15/20	150,000	5.850%				
			04/15/21	160,000	5.850%				
			04/15/22	60,000	5.850%				
			04/15/23	65,000	5.850%				
			04/15/24	70,000	5.850%				

Weehawken Board of Education
 Long-Term Debt
 Schedule of Serial Bonds
 For the Year Ended June 30, 2011

Issue	Date of Issue	Amount of Issue	Annual Maturates		Interest Rate (%)	Balance June 30, 2010	Issued	Retired	Balance June 30, 2011
			Date	Amount					
General Improvements	09/01/08	\$ 7,500,000	09/1/11-12	250,000	3.125%	7,500,000		250,000	7,250,000
			09/01/13	250,000	3.250%				
			09/01/14	250,000	3.375%				
			09/01/15	300,000	3.500%				
			09/01/16	300,000	3.600%				
			09/1/2017-19	300,000	4.000%				
			09/01/20-21	450,000	4.000%				
			09/01/22	450,000	4.050%				
			09/01/23	450,000	4.150%				
			09/01/24	450,000	4.200%				
			09/01/25-26	500,000	4.250%				
			09/01/27	500,000	4.300%				
			09/01/28-29	500,000	4.350%				
						<u>\$ 14,053,000</u>	<u>\$ -</u>	<u>\$ 675,000</u>	<u>\$ 13,378,000</u>

Weehawken Board of Education
 Long-Term Debt
 Schedule of Loans
 For the Year Ended June 30, 2011

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Date</u>	<u>Maturity Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2010</u>	<u>Retired</u>	<u>Balance June 30, 2011</u>
EDA FACILITIES								
Low Interest	08/18/93	\$ 710,000	07/15/11-12 7/15/2013	\$ 37,368 37,370	1.500%	\$ 149,474	\$ 37,368	\$ 112,106
Small Projects	08/18/93	710,000	07/15/11 07/15/12 07/15/13	48,215 50,354 52,600	5.288% 5.288% 5.288%	197,396	46,227	151,169
						<u>\$ 346,870</u>	<u>\$ 83,595</u>	<u>\$ 263,275</u>

Weehawken Board of Education
 General Long-Term Debt Account Group
 Statement of Obligations Under Capital Leases
 For the Year Ended June 30, 2011

Purpose	Date of Lease	Term of Lease	Amount of Original Lease Principal	Interest Rate	Balance June 30, 2010	Issued	Retired	Balance June 30, 2011
Two School Buses	06/01/09	5 Years	\$ 178,140	5.20%	\$ 61,081		\$ 14,130	\$ 46,951
					<u>\$ 61,081</u>	<u>\$ -</u>	<u>\$ 14,130</u>	<u>\$ 46,951</u>

Weehawken Board of Education
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,102,260		\$ 1,102,260	\$ 1,102,260	\$ -
Debt Service Aid Type II	163,540		163,540	163,540	-
Capital Reserve	-		-		-
Total Revenues	1,265,800	-	1,265,800	1,265,800	-
EXPENDITURES:					
Regular Debt Service:					
Interest	487,876		487,876	487,876	-
Redemption of Interest - Early Retirement Bonds	85,675		85,675	85,673	(2)
Redemption of Principle	758,596		758,596	758,596	-
Total Regular Debt Service	1,332,147	-	1,332,147	1,332,145	(2)
Total expenditures	1,332,147	-	1,332,147	1,332,145	(2)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(66,347)	-	(66,347)	(66,345)	2
Other Financing Sources:					
Operating Transfers In:					
Interest Earned in Capital Projects Fund	-	-	-	565	565
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(66,347)	-	(66,347)	(65,780)	567
Fund Balance, July 1	74,235	-	74,235	74,235	-
Fund Balance, June 30	<u>\$ 7,888</u>	<u>\$ -</u>	<u>\$ 7,888</u>	<u>\$ 8,455</u>	<u>\$ 567</u>
Recapitulation of Excess (Deficiency) of of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	<u>\$ 7,888</u>	<u>\$ -</u>	<u>\$ 7,888</u>	<u>\$ 7,888</u>	<u>\$ -</u>

STATISTICAL SECTION
(unaudited)

Weehawken Board of Education
Net Assets by Component,
Last Five Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2011	2010	2009	2008	2007
Governmental activities					
Invested in capital assets, net of related debt	\$ 1,705,112	\$ 1,452,669	\$ 346,843	\$ (3,695,007)	\$ 3,250,382
Restricted	986,230	1,768,896	3,424,191	7,655,175	953,291
Unrestricted	(998,470)	(1,454,985)	(1,286,840)	(1,080,720)	(1,555,557)
Total governmental activities net assets	<u>\$ 1,692,872</u>	<u>\$ 1,766,580</u>	<u>\$ 2,484,194</u>	<u>\$ 2,879,448</u>	<u>\$ 2,648,116</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 51,178	\$ 1,332	\$ 2,283	\$ 3,406	\$ 4,544
Restricted					-
Unrestricted	296,606	188,475	134,018	77,812	64,015
Total business-type activities net assets	<u>\$ 347,784</u>	<u>\$ 189,807</u>	<u>\$ 136,301</u>	<u>\$ 81,218</u>	<u>\$ 68,559</u>
District-wide					
Invested in capital assets, net of related debt	\$ 1,756,290	\$ 1,454,001	\$ 349,126	\$ (3,691,601)	\$ 3,466,317
Restricted	1,026,787	1,768,896	3,424,191	7,655,175	1,015,178
Unrestricted	(742,421)	(1,266,510)	(1,152,822)	(1,002,908)	(1,602,746)
Total district net assets	<u>\$ 2,040,656</u>	<u>\$ 1,956,387</u>	<u>\$ 2,620,495</u>	<u>\$ 2,960,666</u>	<u>\$ 2,878,749</u>

Weehawken Board of Education
Changes in Net Assets
Last Five Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2011	2010	2009	2008	2007
Expenses					
Governmental activities					
Instruction					
Regular	\$ 10,289,935	\$ 10,288,373	\$ 10,161,291	\$ 9,853,261	\$ 9,768,250
Special education	1,214,870	1,272,364	1,236,261	1,142,471	1,132,575
Other special education	291,271	289,168	266,252	337,809	327,831
Community service		10,000	10,000	10,000	10,000
Other instruction	491,201	525,309	525,508	538,591	490,454
Support Services:					
Tuition	2,119,925	1,859,272	1,871,420	1,551,405	1,424,428
Student & instruction related services	2,619,939	2,418,491	2,240,887	2,262,257	2,068,283
School administrative services	953,001	873,642	1,004,476	1,144,612	1,120,990
General and business administrative services	1,235,750	1,411,005	1,442,851	1,433,725	1,406,879
Central services	457,600	481,665	134,405	130,602	181,927
Plant operations and maintenance	1,825,255	1,817,501	2,020,034	1,784,012	1,642,422
Pupil transportation	1,094,354	1,139,170	1,121,880	1,025,974	956,523
Charter Schools	159,959	168,248	196,972	163,356	144,477
Special Education Job Funds	35,440				
Interest on long-term debt	573,549	744,926	318,199	335,470	351,765
Capital Reserve Transfer to Debt Service		285,000			
Capital Outlay - Not Capitalized	83,873	20,231	58,425	59,002	-
Unallocated depreciation	144,419	92,037	91,160	75,711	68,753
Total governmental activities expenses	23,590,341	23,696,402	22,700,021	21,848,258	21,095,557
Business-type activities:					
Food service	343,918	343,446	427,015	413,510	395,581
Child Care	55,225	61,997	31,850	32,302	39,248
Total business-type activities expense	399,143	405,443	458,865	445,812	434,829
Total district expenses	\$ 23,989,484	\$ 24,101,845	\$ 23,158,886	\$ 22,294,070	\$ 21,530,386
Program Revenues					
Governmental activities:					
Charges for services:					
Instruction (tuition)	\$ 65,523	\$ 46,970	\$ -	\$ -	\$ -
Pupil transportation			-	-	-
Central and other support services			-	-	-
Operating grants and contributions	5,573,243	6,007,241	5,885,349	6,609,084	6,261,450
Capital grants and contributions		285,000	-	-	-
Total governmental activities program revenues	5,638,766	6,339,211	5,885,349	6,609,084	6,261,450
Business-type activities:					
Charges for services					
Food service	104,099	98,209	84,880	77,003	78,207
Child care	131,929	84,848	80,798	50,638	42,957
Operating grants and contributions	265,909	275,892	233,270	210,830	207,492
Capital grants and contributions			-	-	-
Total business type activities program revenues	501,937	458,949	398,948	338,471	328,656
Total district program revenues	\$ 6,140,703	\$ 6,798,160	\$ 6,284,297	\$ 6,947,555	\$ 6,590,106

(Continued)

Weehawken Board of Education
Changes in Net Assets
Last Five Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2011	2010	2009	2008	2007
Net (Expense)/Revenue					
Governmental activities	\$ (17,951,575)	\$ (17,357,191)	\$ (16,814,672)	\$ (15,239,174)	\$ (14,834,107)
Business-type activities	102,794	53,506	(59,917)	(107,341)	(106,173)
Total district-wide net expense	<u>\$ (17,848,781)</u>	<u>\$ (17,303,685)</u>	<u>\$ (16,874,589)</u>	<u>\$ (15,346,515)</u>	<u>\$ (14,940,280)</u>
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Property taxes levied for general purposes, net	\$ 16,039,198	\$ 15,422,306	\$ 14,829,377	\$ 14,419,138	\$ 13,351,536
Revenue from Local Gov't Allocated to Capital Reserve			\$ 285,000		
Taxes levied for debt service	1,102,260	785,833	788,690	761,768	787,638
Tuition Charges			26,118	26,550	18,100
Federal and state aid not received	101,545	3,406	(179,571)	9,677	2,324
Miscellaneous income	453,718	402,025	720,094	434,616	614,153
Capital Grant - Capital Project				(64,313)	-
Special Item - Adjustments	180,581	18,120	(1,636)	-	-
Transfers	565	7,887	(48,654)	(116,930)	(115,545)
Total governmental activities	<u>17,877,867</u>	<u>16,639,577</u>	<u>16,419,418</u>	<u>15,470,506</u>	<u>14,658,206</u>
Business-type activities:					
Special Item - Adjustments Fixed Assets	55,183				
Investment earnings	-	-	-	-	-
Transfers	-	-	115,000	120,000	120,000
Total business-type activities	<u>55,183</u>	<u>-</u>	<u>115,000</u>	<u>120,000</u>	<u>120,000</u>
Total district-wide	<u>\$ 17,933,050</u>	<u>\$ 16,639,577</u>	<u>\$ 16,534,418</u>	<u>\$ 15,590,506</u>	<u>\$ 14,778,206</u>
Change in Net Assets					
Governmental activities	\$ (73,708)	\$ (717,614)	\$ (395,254)	\$ 231,332	\$ (175,901)
Business-type activities	157,977	53,506	55,083	12,659	13,827
Total district	<u>\$ 84,269</u>	<u>\$ (664,108)</u>	<u>\$ (340,171)</u>	<u>\$ 243,991</u>	<u>\$ (162,074)</u>

Weehawken Board of Education
Fund Balances, Governmental Funds,
Last Five Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2011	2010	2009	2008	2007
General Fund					
Restricted, Committed, & Assigned	\$ 1,220,997	\$ 1,287,579	\$ 1,674,471	\$ 1,523,842	\$ 1,026,479
Unassigned	221,574	174,223	102,583	263,933	243,455
Total general fund	<u>\$ 1,442,571</u>	<u>\$ 1,461,802</u>	<u>\$ 1,777,054</u>	<u>\$ 1,787,775</u>	<u>\$ 1,269,934</u>
All Other Governmental Funds					
Restricted, Committed, & Assigned	\$ 108,802	\$ 275,277	\$ 100,997	\$ 1,108,662	\$ 31,927
Unassigned					
Special revenue fund	(52,005)	(41,062)	(40,475)	(77,136)	(77,136)
Capital projects fund	154,275	357,416	2,068,669	5,684,461	176,096
Debt service fund	567	7,888	66,346	3,071	4,461
Permanent fund			-	-	-
Total all other governmental funds	<u>\$ 211,639</u>	<u>\$ 599,519</u>	<u>\$ 2,195,537</u>	<u>\$ 6,719,058</u>	<u>\$ 135,348</u>

Weehawken Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending June 30,

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues										
Tax levy	\$ 17,141,458	\$ 16,208,139	\$ 15,903,067	\$ 15,180,906	\$ 14,139,174	\$ 12,516,769	\$ 11,614,591	\$ 11,420,607	\$ 10,190,261	\$ 9,873,859
Capital Reserve Transfer		285,000								
Tuition charges	65,523	46,970	26,118	26,550	18,100	15,350	18,225	18,375	18,200	14,738
Miscellaneous	453,718	402,025	720,094	434,616	614,153	1,678,391	1,598,921	702,874	692,288	775,781
State sources	4,332,989	4,909,913	4,782,183	5,727,499	5,271,818	4,722,464	4,064,605	7,400,987	3,401,368	3,008,155
Federal sources	1,341,799	1,100,734	923,596	891,262	991,956	1,026,235	1,034,620	1,026,333	938,649	790,532
Total revenue	23,335,487	22,952,781	22,355,058	22,260,833	21,035,201	19,959,209	18,330,962	20,569,176	15,240,766	14,463,065
Expenditures										
Instruction										
Regular instruction	7,661,246	7,694,057	7,801,906	7,376,369	7,316,545	7,137,789	6,943,762	6,579,142	6,291,373	5,672,323
Special education instruction	862,797	932,074	936,020	770,224	758,990	727,540	684,013	648,058	687,209	646,078
Other special instruction	206,883	211,228	198,104	228,583	220,478	208,822	182,539	172,642	186,806	181,049
Other instruction	371,743	411,519	419,838	388,384	366,478	370,969	372,850	346,054	341,597	498,402
Community service programs	-	10,000	10,000	10,000	10,000	10,378	10,000	12,000	10,000	
Support Services:										
Tuition	2,119,925	1,859,272	1,871,420	1,551,405	1,424,428	1,317,343	1,259,629	1,128,774	975,008	911,023
Student & inst. related services	1,827,243	1,868,794	1,694,049	1,575,317	1,433,602	1,468,961	1,198,145	1,288,685	1,271,382	1,109,184
School administrative services	616,488	566,867	744,550	771,573	751,865	726,726	746,642	524,476	504,415	557,971
Other administrative services	793,223	809,147	770,796	797,441	760,332	808,734	908,598	828,706	748,366	776,998
Central services	322,767	350,199	99,750	87,468	121,056	116,000				
Plant operations and maintenance	1,420,923	1,548,923	1,733,794	1,415,556	1,357,898	1,319,132	1,073,630	1,115,732	1,191,799	946,097
Pupil transportation	959,545	1,039,880	1,043,841	923,168	851,139	769,643	751,000	448,203	443,949	401,648
Employee benefits	4,499,454	4,219,049	3,876,341	4,717,015	4,599,295	3,703,678	3,309,685	3,135,728	2,671,747	2,192,845
Transfer to charter schools	159,959	168,248	196,972	163,356	144,477	158,030	126,893	97,449	59,825	54,735
Special Education Jobs Fund	35,440									
Debt service:										
Principal	758,596	486,706	474,952	458,223	446,592	435,022	202,296	267,215	145,872	229,542
Interest and other charges	573,549	744,926	318,199	335,471	351,765	367,323	365,536	221,239	79,188	
Capital outlay	553,382	1,951,050	4,650,114	908,486	48,586	214,646	3,733,420	5,365,065	93,496	55,707
Total expenditures	23,743,163	24,871,939	26,840,646	22,478,039	20,963,526	19,860,736	21,868,638	22,179,168	15,702,032	14,233,602
Excess (Deficiency) of revenues over (under) expenditures	(407,676)	(1,919,158)	(4,485,588)	(217,206)	71,675	98,473	(3,537,676)	(1,609,992)	(461,266)	229,463
Other Financing sources (uses)										
Transfers in	565	7,887	66,346	7,503,070	4,455	8,805	10,661	5,909,601	64	191
Transfers out			(115,000)	(184,313)	(120,000)	(120,000)	(52,000)	(113,723)	(40,064)	(15,190)
Total other financing sources (uses)	565	7,887	(48,654)	7,318,757	(115,545)	(111,195)	(41,339)	5,795,878	(40,000)	(14,999)
Net change in fund balances	\$ (407,111)	\$ (1,911,271)	\$ (4,534,242)	\$ 7,101,551	\$ (43,870)	\$ (12,722)	\$ (3,579,015)	\$ 4,185,886	\$ (501,266)	\$ 214,464
Debt service as a percentage of noncapital expenditures	5.74%	5.37%	3.57%	3.68%	3.82%	4.08%	3.13%	2.91%	1.44%	1.62%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.

Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

Weehawken Board of Education
General Fund - Other Revenue by Source (NJ)
Last Ten Fiscal Years
Unaudited

Description	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<i>General Fund:</i>										
Interest on Investments	\$ 2,200	\$ 1,764	\$ 11,213	\$ 43,290	\$ 51,330	\$ 17,561	\$ 12,510	\$ 1,719	\$ 11,875	\$ 16,904
Rental of Wilson School to Union City School District							11,973	570,000	570,000	669,996
Use of Facilities	300,000	300,000	600,000	300,000						
Sale of Wilson School					500,000					
High School Gate Fees/Book Fines/ Activity Account	4,773	4,960	6,208							
Insurance Refunds	9,536			6,399		1,567				
Refunds from Vendors/Educational Institutions /E-Rate HCS	100,206	88,864	97,279	73,628	33,727	105,384	63,453	55,677	100,102	78,685
Cancel Prior Year Accounts Payable	33,317									
Other	3,686	6,437	5,394	11,299	29,096	31,414	10,985	26,454	10,311	10,006
Total Miscellaneous	453,718	402,025	720,094	434,616	614,153	155,926	98,921	653,850	692,288	775,591
Revenue from Local Gov't Allocated To Capital Reserve			285,000							
Capital Reserve Transfer to Debt Service		285,000								
Tuition	65,523	46,970	26,118	26,550	18,100	15,350	18,225	18,375	18,200	14,738
Total General Fund Other than Local Revenue	\$ 519,241	\$ 733,995	\$ 1,031,212	\$ 461,166	\$ 632,253	\$ 171,276	\$ 117,146	\$ 672,225	\$ 710,488	\$ 790,329

Source: District Records

**Weehawken Board of Education
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	Net Assessed Valuations	Estimated Full Cash Valuations	Percentage of Net Assessed to Equalized Valuations
2011	\$ 1,183,868,735	\$ 2,284,138,019	51.83%
2010	1,167,334,040	2,241,424,808	52.08%
2009	1,145,241,240	2,321,591,810	49.33%
2008	1,090,888,140	2,232,224,555	48.87%
2007	1,037,375,723	2,123,159,482	48.86%
2006	1,038,680,734	1,955,515,660	53.12%
2005	1,009,544,129	1,639,396,235	61.58%
2004	974,249,403	1,382,631,997	70.46%
2003	967,464,912	1,269,409,306	76.21%
2002	944,861,269	999,853,195	94.50%

Source: Abstract of Ratables, Hudson County Board of Taxation

Weehawken Board of Education
Property Tax Rates - Direct and Overlapping Governments
(rate per \$100 of assessed value)
Last Ten Fiscal Years
Unaudited

<u>Assessment Year</u>	<u>Weehawken School District</u>	<u>Weehawken Township</u>	<u>Hudson County</u>	<u>Open Space</u>	<u>Special Garbage District</u>	<u>Total</u>
2011	1.4510	1.7780	0.8930	0.0100	0.1700	\$ 4.3020
2010	1.4060	1.6740	0.7830	0.0030	0.1690	\$ 4.0350
2009	1.3620	1.6300	0.7800	0.0210	0.1340	\$ 3.9270
2008	1.3440	1.3740	0.7650	0.0210	0.1300	\$ 3.6340
2007	1.3540	1.2900	0.8320	0.0210	0.1380	\$ 3.6350
2006	1.2820	1.1780	0.8620	0.0188	0.0870	\$ 3.4278
2005	1.1820	1.0630	0.8430	0.0170	0.1190	\$ 3.2240
2004	1.1820	0.9940	0.8400	0.0140	0.1030	\$ 3.1330
2003	1.1170	0.9800	0.8780	0.0000	0.0830	\$ 3.0580
2002	1.0630	1.0200	0.8230	0.0000	0.0850	\$ 2.9910

Source: Weehawken Township Tax Collector

**Weehawken Board of Education
Principal Property Taxpayers,
Current Year and Nine Years Ago**

	2011			2002		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
HARTZ PW LP	\$ 80,439,900	1	6.89%	\$ 80,493,900	1	8.52%
HARTZ PW TOWER BLP	53,826,500	2	4.61%	52,869,500	2	5.60%
GLOBAL WEEHAWKEN ACQUISITION	40,000,000	3	3.43%	-		
HARTZ MOUNTAIN IND INC	25,122,800	4	2.15%	24,511,800	4	2.59%
HARTZ MOUNTAIN IND INC	24,511,800	5	2.10%	-		
PORT IMPERIAL SOUTH LLC	23,600,000	6	2.02%	46,980,000	3	4.97%
HARTZ-PW LIMITED PARTNERSHIP	23,384,700	7	2.00%	22,384,700	6	2.37%
RIVER PW HOTEL LIMITED PARTNERSHIP	22,446,100	8	1.92%	22,333,920	7	2.36%
RIVER PW HOTEL LIMITED PARTNERSHIP	10,998,300	9	0.94%	13,321,840	10	1.41%
TOWER PLAZA ASSOCIATES	8,653,000	10	0.74%			
300 BLVD EAST LLC	-		-	24,312,000	5	2.57%
HARTZ MOUNTAIN- PARSIPPANY	-		-	22,400,000	8	2.16%
PORT IMPERIAL SOUTH LLC	-		-	13,382,600	9	1.42%
Total	<u>\$ 312,983,100</u>		<u>26.81%</u>	<u>\$ 322,990,260</u>		<u>33.97%</u>

Source: Municipal Tax Assessor

**Weehawken Board of Education
Municipal Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	Total Tax Levy	Current Tax Collections	Percent of Tax Levy Collected
2011	\$ 53,178,079	\$ 52,855,281	99.39%
2010	46,342,407	45,556,231	98.30%
2009	44,520,498	44,017,578	98.87%
2008	42,156,679	41,597,687	98.67%
2007	37,400,466	36,943,573	98.78%
2006	33,242,974	32,947,964	99.11%
2005	31,713,934	31,448,030	99.16%
2004	30,422,895	30,201,380	99.27%
2003	28,667,732	28,410,270	99.10%
2002	28,687,809	28,148,661	98.12%

Source: Weehawken Township Tax Collector

**Weehawken Board of Education
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2011	\$ 13,641,274	\$ -	\$ 46,951	-	\$ -	13,688,225	N/A	N/A
2010	14,399,870	-	61,081	-	-	14,460,951	N/A	N/A
2009	14,886,576	-	178,140	-	-	15,064,716	0.29%	43,388
2008	7,861,527	-	-	6,000,000	-	13,861,527	0.32%	43,925
2007	8,319,751	-	31,924	-	-	8,351,675	0.49%	41,071
2006	8,766,342	-	62,811	-	-	8,829,153	0.43%	38,212
2005	9,217,662	-	92,694	-	-	9,310,356	0.38%	35,460
2004	9,419,957	-	15,906	-	-	9,435,863	0.35%	33,322
2003	1,769,172	-	60,401	-	-	1,829,573	1.74%	31,889
2002	1,915,043	-	141,480	-	-	2,056,523	1.52%	31,247

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

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

Weehawken Board of Education
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>General Bonded Debt Outstanding</u>						
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b	
2011	\$ 13,641,274	-	13,641,274	1.15%	N/A	
2010	14,399,870	-	14,399,870	1.23%	N/A	
2009	14,886,576	-	14,886,576	1.30%	43,388	
2008	7,861,527	-	7,861,527	0.72%	43,925	
2007	8,319,751	-	8,319,751	0.80%	41,071	
2006	8,766,342	-	8,766,342	0.84%	38,212	
2005	9,217,662	-	9,217,662	0.91%	35,460	
2004	9,419,957	-	9,419,957	0.97%	33,322	
2003	1,769,172	-	1,769,172	0.18%	31,889	
2002	1,915,043	-	1,915,043	0.20%	31,247	

Notes: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
a See Exhibit J-6 for property tax data.
b Population data can be found in Exhibit J-14.

**Weehawken Board of Education
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011
Unaudited**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Weehawken School District	\$ 13,688,225	\$ 13,688,225	\$ -
Weehawken Township	<u>86,697,927</u>	<u>22,590,000</u>	<u>64,107,927</u>
	<u>\$ 100,386,152</u>	<u>\$ 36,278,225</u>	<u>\$ 64,107,927</u>
Overlapping Debt:			
County of Hudson (2) - Township's Share (3.73%)			<u>12,993,034</u>
			<u>\$ 77,100,961</u>

Sources:

- (1) Weehawken Township's Chief Financial Officer and Annual Debt Statement - June 30, 2011
- (2) Hudson County Treasurer's Office. The County debt was apportioned to Weehawken Township by dividing the Township's 2010 Equalized Value by the total 2010 Equalized Value for Hudson County, which results in an apportionment rate of 3.73%

Weehawken Board of Education
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2011

	Equalized valuation basis	
	2010	\$ 2,284,138,019
	2009	2,241,424,808
	2008	<u>2,321,591,810</u>
	[A]	<u>\$ 6,847,154,637</u>
Average equalized valuation of taxable property	[A/3]	\$ 2,282,384,879
Debt limit (4 % of average equalization value)	[B]	91,295,395 ^a
Total Net Debt Applicable to Limit	[C]	<u>64,107,927</u>
Legal debt margin	[B-C]	<u>\$ 27,187,469</u>

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Debt limit	\$ 60,840,222	\$ 60,717,552	\$ 89,026,345	\$ 83,079,701	\$ 74,077,687	\$ 63,762,979	\$ 55,296,350	\$ 48,944,182	\$ 43,538,931	\$ 37,651,642
Total net debt applicable to limit	<u>13,641,274</u>	<u>14,399,870</u>	<u>14,886,576</u>	<u>7,861,527</u>	<u>8,319,751</u>	<u>8,766,342</u>	<u>9,217,662</u>	<u>9,419,957</u>	<u>1,769,172</u>	<u>1,915,043</u>
Legal debt margin	<u>\$ 47,198,948</u>	<u>\$ 46,317,682</u>	<u>\$ 74,139,769</u>	<u>\$ 75,218,174</u>	<u>\$ 65,757,936</u>	<u>\$ 54,996,637</u>	<u>\$ 46,078,688</u>	<u>\$ 39,524,225</u>	<u>\$ 41,769,759</u>	<u>\$ 35,736,599</u>
Total net debt applicable to the limit as a percentage of debt limit	22.42%	23.72%	16.72%	9.46%	11.23%	13.75%	16.67%	19.25%	4.06%	5.09%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

^a Limit set by NJSIA 18A:24-19 for a K through I2 district; other % limits would be applicable for other district types.

WEEHAWKEN BOARD OF EDUCATION
Demographic Statistics
Last Ten Years
Unaudited

<u>Year Ended December 31,</u>	<u>Unemployment Rate</u>	<u>Per Capita Income *</u>	<u>School District Population</u>
2011	N/A	N/A	N/A
2010	11.40%	N/A	13,501
2009	10.70%	43,388	12,379
2008	4.80%	43,925	12,370
2007	5.90%	41,071	12,319
2006	4.10%	38,212	12,522
2005	4.80%	35,460	12,816
2004	4.20%	33,322	13,081
2003	5.10%	31,889	13,253
2002	5.30%	31,247	13,324
2001	3.80%	30,543	13,484

* Per capita income for Hudson County

N/A Not Available

Source: (1) NJ Department of Labor, Office of Planning and Research
(1) NJ Department of Labor, Bureau of Labor Force Statistics
(2) US Department of Commerce, Bureau of Economic Analysis
(3) US Bureau of the Census, Population Division

Weehawken Board of Education
Principal Employers
Current Year and Nine Years Ago

Employer	2011			2001 (N/A)		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
Port Imperial Ferry Corp.	700	1	9.69%			
Citicorp Data Systems Inc.	594	2	8.23%			
The Swatch Group US Inc.	570	3	7.89%			
Hanover Direct Incorporated	340	4	4.71%			
Transportation New Jersey Department	300	5	4.15%			
Hartz Mountain Industries Inc.	250	6	3.46%			
Ceres Marine Terminals Inc.	200	7	2.77%			
Citicorp Information Technologies Inc.	150	8	2.08%			
QwestCyber Solutions	150	9	2.08%			
Pathmark Stores Inc.	130	10	1.80%			
Specialists LTD	100	11	1.38%			
UBS Painewebber Inc.	100	12	1.38%			
	<u>3,584</u>		<u>49.63%</u>	<u>N/A</u>		<u>N/A</u>

Source: Hudson County Economic Development Corp.

Weehawken Board of Education
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Instruction										
Regular	89	89	89	89	90	95	95	91	91	90
Special education	8	8	9	10	10	9	9	8	7	9
Other special education		-	-	0	-	-	-	-	-	-
Vocational		-	-	0	-	-	-	-	-	-
Other instruction	17	17	17	17	17	15	14	15	14	13
Nonpublic school programs		-	-	0	-	-	-	-	-	-
Adult/continuing education programs		-	-	0	-	-	-	-	-	-
Support Services:										
Student & instruction related services	27	33	33	29	30	32	32	29	27	26
General administration	5	5	5	5	5	5	5	5	5	4
School administrative services	7	7	7	7	7	7	7	8	8	8
Other administrative services	1	1	1	1	1	1	1	1	1	1
Central services	3	3	3	3	3	3	3	3	3	3
Administrative Information Technology		-	-	-	-	-	-	-	-	-
Plant operations and maintenance	11	11	11	14	15	15	15	13	14	16
Pupil transportation	9	13	9	10	10	10	10	10	11	10
Other support services		-	-	-	-	-	-	-	-	-
Special Schools		-	-	-	-	-	-	-	-	-
Food Service		-	-	-	-	-	-	-	-	-
Child Care		-	-	-	-	-	-	-	-	-
Total	<u>177</u>	<u>187</u>	<u>184</u>	<u>185</u>	<u>188</u>	<u>192</u>	<u>191</u>	<u>183</u>	<u>181</u>	<u>180</u>

Source: District Personnel Records

**Weehawken Board of Education
Operating Statistics,
Last Ten Fiscal Years**

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2011	1,248	23,590,341	18,903	0.01	114	12.52	11.23	9.85	1,248	1,177	2.80%	94.31%
2010	1,214	22,646,245	18,654	(0.02)	117	10.97	10.52	9.92	1,214	1,158	3.58%	95.39%
2009	1,172	22,323,397	19,047	0.02	117	10.21	10.10	9.52	1,172	1,116	1.65%	95.22%
2008	1,152	21,453,786	18,623	0.07	116	15.26	11.90	8.58	1,153	1,101	-1.11%	95.49%
2007	1,191	20,743,792	17,417	0.06	117	8.92	13.83	10.37	1,166	1,109	1.04%	95.11%
2006	1,197	19,642,387	16,410	0.07	112	10.19	11.03	10.78	1,154	1,102	-2.86%	95.49%
2005	1,194	18,360,909	15,378	0.14	110	10.23	11.42	10.90	1,188	1,132	-1.08%	95.29%
2004	1,238	16,670,264	13,465	0.05	104	12.15	12.33	11.50	1,201	1,144	-1.31%	95.25%
2003	1,219	15,673,333	12,858	0.31	105	12.26	12.10	10.94	1,217	1,163	5.00%	95.56%
2002	1,176	11,561,341	9,831	0.05	105	11.78	12.87	9.83	1,159	1,100	-4.29%	94.91%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Weehawken Board of Education
 School Building Information
 Last Ten Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<u>District Building</u>										
<u>Pre-K thru Grade 2</u>										
Daniel Webster (1939)										
Square Feet	50,700	50,700	50,700	35,431	35,431	35,431	35,431	35,431	35,431	35,431
Capacity (students)	281	281	281	257	257	257	257	257	257	257
Enrollment	388	384	345	320	332	316	317	316	331	318
<u>Grade 3 thru Grade 6</u>										
Theodore Roosevelt (1928)										
Square Feet	56,300	56,300	56,300	39,669	39,669	39,669	39,669	39,669	39,669	39,669
Capacity (students)	311	311	311	283	283	283	283	283	283	283
Enrollment	348	340	318	306	332	342	354	370	363	386
<u>Grade 7 thru Grade 12</u>										
Weehawken High School (1939)										
Square Feet	125,600	125,600	124,000	83,937	83,937	83,937	83,937	83,937	83,937	83,937
Capacity (students)	572	572	572	546	546	546	546	546	546	546
Enrollment	512	505	517	526	527	539	523	552	525	472

Number of Schools at June 30, 2010
 Elementary School = 2
 High School = 1
 Other = 0

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of updated insurance appraisals.

**Weehawken Board of Education
Schedule of Required Maintenance
Last Ten Fiscal Years**

Undistributed Expenditures - Required
Maintenance for School Facilities

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002**
* School Facilities										
Building A - High School	\$ 89,298	\$ 113,591	\$ 96,375	\$ 89,897	\$ 132,577	\$ 114,300	\$ 48,141	\$ 44,995	\$ 15,881	\$ 16,550
Building B - Webster School	34,566	25,489	34,589	31,843	62,520	85,800	16,624	14,692	7,196	11,637
Building C - Roosevelt School	13,696	42,725	10,411	18,686	21,818	21,300	16,917	15,533	10,301	10,143
Building D - Wilson School **			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total School Facilities	<u>137,560</u>	<u>181,805</u>	<u>141,375</u>	<u>140,426</u>	<u>216,915</u>	<u>221,400</u>	<u>81,682</u>	<u>75,220</u>	<u>33,378</u>	<u>38,330</u>
Other Facilities - District-wide	-	-	-	-	-	-	-	-	418	-
Grand Total	<u>\$ 137,560</u>	<u>\$ 181,805</u>	<u>\$ 141,375</u>	<u>\$ 140,426</u>	<u>\$ 216,915</u>	<u>\$ 221,400</u>	<u>\$ 81,682</u>	<u>\$ 75,220</u>	<u>\$ 33,796</u>	<u>\$ 38,330</u>

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

** 2002 Required maintenance for School Facilities was charged to 11-000-262-420 "other operating maintenance".

**Wechawken Board of Education
Insurance Schedule
June 30, 2011
Unaudited**

	<u>Coverage</u>	<u>Deductible</u>
Property (1)		
Real and Personal Property	\$ 300,000,000	\$ 5,000
Extra Expense	50,000,000	5,000
Flood Zones A & V	10,000,000	500,000
All Other Flood Zones	50,000,000	10,000
Earthquake	50,000,000	n/a
Demolition and Increased Cost of Construction	10,000,000	n/a
Fire Department Service Charge	10,000	n/a
Arson Reward	10,000	n/a
Pollutant Cleanup and Removal	250,000	n/a
Valuable Papers & Records	10,000,000	5,000
General Liability (1)		
Bodily Injury & Property Damage, Products / Completed Operations; Personal and Advertising Injury / Sexual Abuse	16,000,000	n/a
Employee Benefits Liability	16,000,000	1,000
Premises Medical Payments	10,000	n/a
	per accident	
Terrorism	1,000,000	n/a
Business Auto (1)		
Combined Single Limit for Bodily Injury and Property Damage	16,000,000	1,000
Uninsured/Underinsured Motorists - Private Passenger Auto	1,000,000	
Uninsured/Underinsured Motorists - All Other Vehicles	15,000	per person
	30,000	per accident
	5,000	per accident
Personal Injury Protection (Including Pedestrians)	250,000	
Medical Payments	5,000 - 10,000	
Hired Car Physical Damage	75,000	1,000
Crime (1)		
Public Employee Dishonest with Faithful Performance	250,000	1,000
Theft, Disappearance and Destruction-Money & Securities	25,000	500
Forgery or Alteration	250,000	1,000
Theft, Disappearance and Destruction -Money Orders & Counterfeit & Paper Currency	100,000	1,000
Computer Fraud	25,000	500
Electronic Data Processing (1)		
Blanket Hardware / Software	1,160,480	1,000
Coverage Extensions:		
Transit	25,000	1,000
Loss of Income	10,000	1,000
Flood	1,000,000	10,000
Flood Zone A & V	1,000,000	500,000
Boiler & Machinery (1)		
Equipment Breakdown	100,000,000	5,000
Surety Bonds (1)		
Treasurer	250,000	1,000
Board Secretary	200,000	1,000
Student Accident		
All students Incl Sports, Football K-12	5,000,000	n/a
Accident Medical for Volunteer Workers	25,000	n/a
School Leaders Errors and Omissions	16,000,000	5,000

(1) New Jersey School Boards Association Insurance Group Serviced by Majestic Group, LLC

Source: District Records

SINGLE AUDIT SECTION

Exhibit K-1

**Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed In
Accordance with *Government Auditing Standards***

The Honorable President and
Members of the Board of Education
Weehawken School District
County of Hudson
Weehawken, New Jersey

We have audited the financial statements of governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Weehawken School District, in the County of Hudson, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated November 4, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Weehawken Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Weehawken Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Weehawken Board of Education's internal control over financial reporting.

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

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

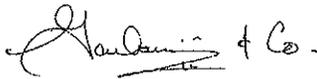
As part of obtaining reasonable assurance about whether the Weehawken Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a 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 Division of Finance and Regulatory Compliance, Department of Education, and State of New Jersey.

We noted certain matters that we reported to the Board of Education of the Weehawken School District in a separate report entitled, *Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* dated November 4, 2011.

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



Paul W. Garbarini, CPA
Registered Municipal Accountant
No. 534



Garbarini & Co. P.C.
Carlstadt, New Jersey
November 4, 2011

Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance In Accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 04-04

The Honorable President and
Members of the Board of Education
Weehawken School District
County of Hudson
Weehawken, New Jersey

Compliance

We have audited the Board of Education of the Weehawken School District, in the County of Hudson, State of New Jersey's compliance requirements described in the U.S. Office of Management and Budget (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 its major federal and state programs for the fiscal year ended June 30, 2011. The Weehawken Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedules of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Weehawken Board of Education's management. Our responsibility is to express an opinion on the Weehawken Board of Education's compliance based on our audit.

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; the audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey; OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*; and, New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Weehawken Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Weehawken Board of Education's compliance with those requirements.

In our opinion, the Board of Education of the Weehawken School District, in the County of Hudson, State of New Jersey, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and New Jersey OMB's Circular 04-4, which are described in the accompanying schedule of findings and questioned costs as items 01-OMB-S1.

Internal Control Over Compliance

The management of the Board of Education of the Weehawken School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered Weehawken Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB's Circular 04-04, 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 Weehawken Board of Education's internal control over compliance.

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

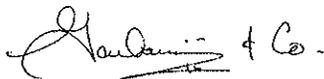
Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We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

Weehawken Board of Education's responses to the findings identified in our audit (if any) are described in the accompanying schedule of findings and questioned costs. We did not audit Weehawken Board of Education's response, and, accordingly, we express no opinion on it.

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



Paul W. Garbarini, CPA
Registered Municipal Accountant
No. 534



Garbarini & Co. P.C.
Carlstadt, New Jersey
November 4, 2011

Weehawken Board of Education
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2011

Exhibit K-3
 Schedule A

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From	To	Balance at June 30, 2010	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjust- ments	Repayment of Prior Year's Balances	(Accounts Receivable) June 30, 2011	Deferred Revenue	Due to Grantor June 30, 2010
U.S. Department of Agriculture														
Passed-through State Dept. of Agriculture														
Enterprise Fund														
Food Donation Program	10.550	N/A	33,520	07/01/10	06/30/11	\$ -		\$ 16,215	\$ (16,215)		\$ -			
National School Lunch Program	10.555	N/A	202,634	07/01/10	06/30/11	-		165,980	(202,634)		(36,654)			
National School Lunch Program	10.555	N/A	192,846	07/01/09	06/30/10	(14,766)		14,766			-			
After School Snack Program	10.555	N/A	9,298	07/01/10	06/30/11	-		7,488	(9,298)		(1,810)			
After School Snack Program	10.555	N/A	7,056	07/01/09	06/30/10	(608)		608			-			
National School Breakfast Program	10.553	N/A	32,185	07/01/10	06/30/11	-		25,664	(32,185)		(6,521)			
National School Breakfast Program	10.553	N/A	31,647	07/01/09	06/30/10	(3,143)		3,143			-			
Total U.S. Department of Agriculture						(18,517)	-	233,864	(260,332)	-	-	(44,985)	-	-
U.S. Department of Education														
Passed-through State Dept. of Education														
Special Revenue Fund														
Title I, Part A	84.010		524,620	09/01/10	08/31/11			141,102	(524,620)		(383,518)			
Title I, Part A	84.010		492,907	09/01/09	8/31/20010	(177,243)		177,113			(130)			
Title I, Part A	84.010		487,205	09/01/08	08/31/09	(20)		20			-			
I.D.E.A. Part B, Basic Regular	84.027		300,492	09/01/10	08/31/11				(300,492)		(300,492)			
I.D.E.A. Part B, Basic Regular	84.027		289,985	09/01/09	08/31/10	(3,664)		3,374	(3,226)	290	(3,226)			
I.D.E.A. Part B, Preschool	84.027		10,374	09/01/10	08/31/11				(10,374)		(10,374)			
Title IV, Safe and Drug Free Schools and Communities	84.186		7,225	09/01/09	08/31/10	(5,427)		5,427			-			
Title IV, Safe and Drug Free Schools and Communities	84.186		7,449	09/01/08	08/31/09	(58)				58	-			
Title IID, Enhancing Education through Technology	84.318X		1,204	09/01/10	08/31/11				(1,204)		(1,204)			
Title IID, Enhancing Education through Technology	84.318X		4,908	09/01/09	08/31/10	(4,908)		4,908			-			
Title VI, Classroom Size Reduction	84.298		85,051	09/01/10	08/31/11				(85,051)		(85,051)			
Title VI, Classroom Size Reduction	84.298		83,497	09/01/09	08/31/10	(24,217)		24,217			-			
Title III	84.298		21,142	09/01/10	08/31/11				(21,142)		(692)			
Title III	84.298		18,169	09/01/09	08/31/10	(3,700)		20,450			(1,525)			
Title III	84.298		18,079	09/01/08	08/31/09	(71)		71			-			
ARRA- I.D.E.A. Part B	84.391		298,500	09/01/09	08/31/11	-		141,914	(198,045)		(56,131)			
ARRA- I.D.E.A. Part B, Preschool	84.392		10,739	09/01/09	08/31/11	(1)			(9,453)		(9,454)			
ARRA- Title I Part A	84.389		198,999	09/01/09	08/31/11	(18,964)		70,662	(130,255)		(78,557)			
Total U.S. Department of Education						(238,273)	-	591,433	(1,283,862)	348	-	(930,354)	-	-
U.S. Dept. of Health and Human Services														
Passed-through State Dept. of Education														
General Fund														
Education Job Funds	84.410A		101,545	07/01/10	06/30/11				(35,440)		(35,440)			
Medical Assistance Program	93.778	N/A	26,740	07/01/10	06/30/11			17,480	(26,740)		(9,260)			
Medical Assistance Program	93.778	N/A	25,686	07/01/09	06/30/10	(14,169)		14,169			-			
Total U.S. Dept. of Health and Human Serv.						(14,169)	-	31,649	(62,180)	-	-	(44,700)	-	-
Total Federal Financial Awards						\$ (270,959)	\$ -	\$ 856,946	\$ (1,606,374)	\$ 348	\$ -	\$ (1,020,039)	\$ -	\$ -

Wichaven Board of Education
 Schedule of Expenditures of State Financial Assistance
 For the Fiscal Year Ended June 30, 2011

Exhibit K-4
 Schedule B

State Grantor Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2010		Carryover/ (Waiver) Amount	Cash Received	Budgetary Expenditures	Adjust- ments	Restatement of Prior Year's Balance	(Accounts Receivable)	Balance at June 30, 2011	Deferred Revenue	Due to Grantor	Memo Budgetary Receivable	Cumulative Total Expenditures
				(Accounts Receivable)	Deferred Revenue											
State Department of Agriculture																
Enterprise Fund																
State School Breakfast Program	10-100-03-0359-021	2,465	07/01/09	06/30/10	(207)	\$	287	(5,577)			(1,088)			\$		
State School Lunch Program	11-100-010-3560-023	5,877	07/01/11	06/30/11	(653)		4,89									
State School Lunch Program	10-100-010-3560-025	8,759	07/01/09	06/30/10	(651)		69	(5,572)			(1,088)					
Total State Department of Agriculture																
State Department of Education																
General Fund																
Extracurricular Aid	11-100-034-5120-475	295,242	07/01/10	06/30/11			376,550	(205,242)			(205,242)					(205,242)
Extracurricular Aid	10-100-034-5120-475	314,283	07/01/09	06/30/10	(376,550)		596,769	(667,162)			(160,393)					(667,162)
Special Education Aid	687-102	67,010	07/01/10	06/30/11	(272,801)		372,881									
Special Education Aid	687-102	67,010	07/01/10	06/30/10			372,881									
Special Education Aid	11-100-034-5120-484	384,867	07/01/10	06/30/11			384,867	(384,867)								
Special Education Aid	11-100-034-5120-484	384,867	07/01/10	06/30/10			384,867									
Adjustment Aid	11-100-034-5120-085	951,630	07/01/10	06/30/11			659,215	(951,630)								(951,630)
Adjustment Aid	11-100-034-5120-085	951,630	07/01/10	06/30/10			659,215									
Transportation Aid	11-100-034-5120-014	156,906	07/01/10	06/30/11			623,666	(156,906)			(33,000)					(156,906)
Transportation Aid	11-100-034-5120-014	156,906	07/01/10	06/30/10			623,666									
Social Security Tax	11-100-034-5095-002	656,756	07/01/10	06/30/11			68,381	(656,756)								(656,756)
Social Security Tax	11-100-034-5095-002	656,756	07/01/10	06/30/10			68,381									
Total State Department of Education																
Special Revenue Fund																
Preschool Education Aid	11-100-034-5120-025	466,800	07/01/10	06/30/11			414,875	(446,644)								(446,644)
Preschool Education Aid	10-100-034-5120-025	410,616	07/01/09	06/30/10	(13,825)		41,062									
Total State Department of Education																
State Department of Health																
Peer-Through Hudson County Dept. of Human Services																
Debt Service Fund																
Debt Service Aid Type II	11-100-034-5120-017	163,540	07/01/10	06/30/11			163,540	(163,540)								
Total State Department of Health																
State Department of Health																
Peer-Through Hudson County Dept. of Human Services																
Special Revenue Fund																
NIEIT Safety Grant Program	N/A	9,036	07/01/10	06/30/11			9,036	(9,036)								
NIEIT Safety Grant Program	N/A	5,727	07/01/09	06/30/10			10,000									
Peer Price Counseling	11-100-046-210-024	15,000	01/01/10	12/31/11	393		5,000	(11,000)			(5,000)					(11,000)
Peer Price Counseling	10-100-046-210-024	5,000	01/01/10	12/31/10			5,000									
Peer Price Counseling	10-100-046-210-024	8,218	01/01/09	12/31/09	(8,218)		1,990									
Peer Price Counseling	10-100-046-210-024	18,512	01/01/08	12/31/08												
Total State Department of Health																
Total State Financial Assistance																
Total State Financial Assistance																

WEEHAWKEN BOARD OF EDUCATION
Notes to Schedules of Awards and Financial Assistance
June 30, 2011

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Weehawken 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 is 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 this schedule may differ from amount 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June state aid payments 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 \$ 112,488 for the general fund and \$ 24,222 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follow:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 62,180	\$ 3,002,763	\$ 3,064,943
Special Revenue Fund	1,283,862	465,680	1,749,542
Debt Service Fund		163,540	163,540
Food Service Fund	260,332	5,577	265,909
Total Awards & Financial Assistance	<u>\$ 1,606,374</u>	<u>\$ 3,637,560</u>	<u>\$ 5,243,934</u>

Exhibit K-5
WEEHAWKEN BOARD OF EDUCATION
Notes to Schedules of Awards and Financial Assistance
June 30, 2011

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. STATE LOANS OUTSTANDING

Weehawken Board of Education had the following loan balances outstanding at June 30, 2011:

<u>Loan Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Outstanding</u>
NJ Economic Development Authority	N/A	\$ 263,274

NOTE 6. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2011. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2011.

NOTE 7. ADJUSTMENTS

Amounts reported in the accompanying financial schedules under the column heading for adjustments represent fiscal year 2010 encumbrances, which were canceled in fiscal year 2011, canceled receivables and or state aid deductions not received in cash, or amounts transferred to General Fund deferred revenue. Canceled encumbrances totaled \$0 , canceled receivables totaled \$3,486 , state aid deductions not received in cash totaled \$497,830, and amounts transferred to General Fund revenue totaled \$ 0.

**WEEHAWKEN BOARD OF EDUCATION
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended
June 30, 2011**

Section I – Summary of Auditor’s Results

Financial Statements

[Reference – Section .510 of Circular OMB-133]

Type of Auditors Report Issued	<u>Unqualified</u>		
Internal Control over Financial Reporting:			
1) Material weakness(s) identified?	<u>Yes</u>	<u>X</u>	<u>No</u>
2) Significant deficiencies identified?	<u>Yes</u>	<u>X</u>	<u>None Reported</u>
Noncompliance material to basic financial statement noted?	<u>Yes</u>	<u>X</u>	<u>No</u>

Federal Awards

Internal Control over major programs:			
1) Material weakness(s) identified	<u>Yes</u>	<u>X</u>	<u>No</u>
2) Significant deficiencies identified?	<u>Yes</u>	<u>X</u>	<u>None Reported</u>
Type of auditor’s report issued on compliance for major programs:	<u>Unqualified</u>		
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?	<u>Yes</u>	<u>X</u>	<u>No</u>

Identification of major programs:

	<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
(Type A)	<u>84.010</u>	<u>Title I, Part A</u>
(Type A)	<u>84.027</u>	<u>I.D.E.A. Part B, Basic Regular & Preschool</u>
(Type B)	<u>84.391/84.392</u>	<u>ARRA-I.D.E.A, Part B, & Part B, Preschool</u>
(Type B)	<u>84.389</u>	<u>ARRA- Title I, Part A</u>

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

Auditee qualified as low-risk auditee? X Yes No

WEEHAWKEN BOARD OF EDUCATION
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended
June 30, 2011
(Continued)

Section I – Summary of Auditor’s Results (Continued)

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 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:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04?

 X Yes No

Identification of major programs:

	<u>State Grant/ Project Number</u>	<u>Name of State Program</u>
(Type B)	11-100-034-5120-473	Extraordinary Aid
(Type A)	11-495-034-5120-089	Special Education Aid
(Type A)	11-495-034-5120-084	Security Aid
(Type A)	11-495-034-5120-085	Adjustment Aid
(Type B)	11-495-034-5120-014	Transportation Aid
(Type A)	11-495-034-5095-052	Social Security Tax
(Type A)	11-495-034-5120-025	Preschool Education Aid

WEEHAWKEN BOARD OF EDUCATION
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended
June 30, 2011
(Continued)

Section II – Financial Statement Findings

[This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting in a Circular A-133 audit. See paragraphs 13.15 and 13.35. See the AICPA Audit Guide *Government Auditing Standards and Circular A-133 Audits* for further guidance on this schedule]

No Findings are Required to be Reported Herein.

**WEEHAWKEN BOARD OF EDUCATION
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended
June 30, 2011
(Continued)**

Section II – Schedule of Federal and State Award Findings and Questioned Cost

[This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular Letter 04-04].

FEDERAL AWARDS

No matters were reported.

WEEHAWKEN BOARD OF EDUCATION
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended
June 30, 2011
(Continued)

Section II – Schedule of Federal and State Award Findings and Questioned Cost (Continued)

STATE AWARDS

Finding 01-OMB-S1

Information on the state program:

11-495-034-5120-089 Special Education Aid

11-495-034-5120-084 Security Aid

11-495-034-5120-085 Adjustment Aid

Criteria or specific requirement:

The Office of School Funding used the October 15, 2010 Application for State School Aid (A.S.S.A.) data in the calculation of 2011-12 state aid, and for other purposes such as calculation of School Choice Aid, and federal entitlement programs.

Condition:

Discrepancies occurred in the District's October 15, 2010 A.S.S.A. count. The A.S.S.A. was audited prior to submission, however clerical input errors occurred. There was one student over-reported for on-roll, one student over-reported for Special Education- High School, one student over-reported for Special Education- Middle School (Private School for Disabled) and one student under-reported for Special Education- High School (Private School for Disabled).

Questioned Costs:

None

Context:

Not Applicable

Effect:

The State will adjust the State School Aid to the District based on the audited A.S.S.A.

Cause:

The A.S.S.A count as amended by the auditor was not entered accurately.

Recommendation:

The District should have a review of the A.S.S.A count as entered prior to final submission to ensure the counts were entered accurately.

Management's response:

Management is in agreement with the auditor's recommendation.

**WEEHAWKEN BOARD OF EDUCATION
Summary Schedule of Prior – Year Audit Findings
and Questioned Costs as Prepared by Management
For the Fiscal Year Ended June 30, 2011**

[This section identifies the status of prior-year findings related to the general-purpose financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB Circular A-133 (section .315(a)(b)) and NJOMB's Circular Letter 04-04].

N/A

CORRECTIVE ACTION PLAN 2010-2011

NAME OF SCHOOL Weehawken Township COUNTY Hudson

TYPE OF AUDIT Single

DATE OF BOARD MEETING 20-Dec-11

CONTACT PERSON Hwey-Hwey "Vicky" Guo

TELEPHONE NUMBER 201-422-6125

CORRECTIVE ACTION APPROVED BY THE BOARD

RECOMMENDATION NUMBER	CORRECTIVE ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
2011-1	Procedures will be strengthened so that transfers are made accurately and timely	Transfer log be maintained to ensure that all transfers are listed on the board resolution.	Business Office Staff	30-Jun-12
2011-2	Procedures will be modified to ensure game receipts are deposited in a timely fashion	Gate receipts collectors will count and turn in the cash receipts at the end of each game to the Athletic Director (AD). AD will submit cash to the Business Office for deposit the next business or school day.	Athletic Department Business Office Staff	30-Jun-12
2011-3	Ensure cash receipts and disbursements are supported with proper documentations	Deposits be made every Tuesday and Thursday. A checklist with approval by the principal will be used to ensure all checks are issued with receipts	High School Principal	30-Jun-12
2011-4	Establish a review process for accurate submission of A.S.A. data after auditor's review	Review by the auditor be performed before submission of final ASSA data to DOE	Superintendent's Office Auditor	30-Jun-12


 Hwey-Hwey Guo
 BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

11/15/11
 DATE


 CHIEF SCHOOL ADMINISTRATOR