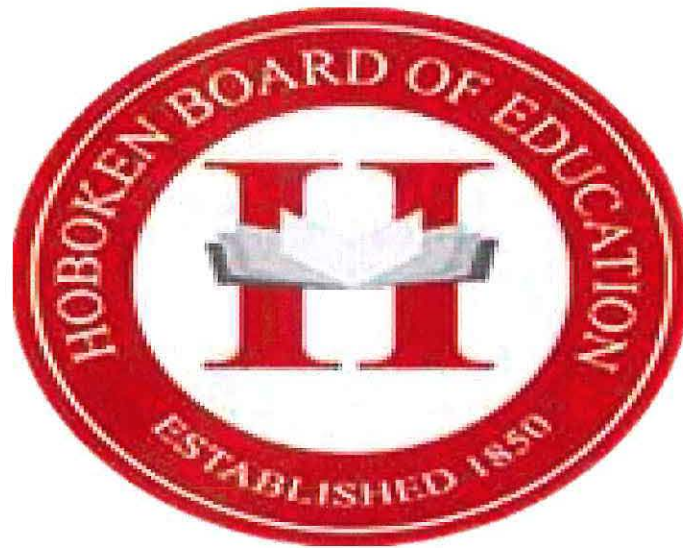


HOBOKEN BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018



Hoboken, New Jersey

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Hoboken School District

Hoboken, New Jersey

For The Fiscal Year Ended June 30, 2018

Prepared by

Business Office

**HOBOKEN BOARD OF EDUCATION
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INTRODUCTORY SECTION



HOBOKEN BOARD OF EDUCATION

OFFICE OF THE BUSINESS ADMINISTRATOR / BOARD SECRETARY

158 Fourth Street ❖ Hoboken, NJ 07030 ❖ 201.356.3610 ❖ Fax: 201.356.3642

Matthew Bouldin
Business Administrator / Board Secretary
mbouldin@hoboken.k12.nj.us

28 January 2019

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

Dear Board Members and Constituents of Hoboken:

The comprehensive annual financial report of the Hoboken Board of Education (Board) for the fiscal year ended June 30, 2018 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Board. All disclosures necessary to enable the reader to gain an understanding of the Boards' 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 the District-wide Statements as required by GASB 34, basic financial statements, schedules and footnotes as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as amended by the Single Audit Act Amendments of 1996; U.S. Uniform Guidance, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; and New Jersey OMB's Circular 15-08 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, is included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES: The Hoboken 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 Hoboken Board of Education and all its schools constitute the Board's reporting entity. For the past five years the Board provided a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and special education for handicapped youngsters. The Board completed the 2017-2018 fiscal year with an average daily enrollment of 1,865 students, which is 95 students higher than the previous year's average daily enrollment. The

Where Students Come First

HOBOKEN BOARD OF EDUCATION

FY2018 Audit Introduction
28 January 2019
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following details the changes in the student enrollment of the District over the last five years.

Hoboken School District Average Daily Enrollment Last Five Years

Fiscal Year	Student Enrollment	Percent Change
2017-2018	1,865	5.4%
2016-2017	1,770	(8.5%)
2015-2016	1,934	3.3%
2014-2015	1,872	(3.4%)
2013-2014	1,938	13.3%

Table 1: As of the 2016-2017 school year, the District no longer educates preschool students in district. All preschool students are educated by providers.

MAJOR INITIATIVES: The Hoboken Public School District continued to undertake a rigorous and comprehensive school improvement process designed to increase academic performance for all students. The district goals, budgeting process, technology program, educational materials selection processes, staff evaluation system, student performance assessment tools, curriculum revisions, facility improvements, and a variety of work in other areas is aligned in support of teaching, learning, and the New Jersey Learning Standards.

New textbooks and professional activities continued districtwide. The district focused on its curriculum renewal and evaluation process, with priority placed upon realigning all documents to the New Jersey Learning Standards. After fully implementing new comprehensive English Language Arts and Science curricula, the district turned its attention to Mathematics. Moving away from Math in Focus, the district developed a new K-5 Math curriculum and implemented Connected Math in Grades 6-8. In all curricular areas, an emphasis is placed upon developing conceptual understanding, divergent thinking and problem solving skills that are necessary for academic success in the 21st century. Professional development activities included job embedded coaching, and strong benchmark. The district continued progress in raising standards with continued use of the Response to Intervention (RTI) model at all elementary schools. RTI continued to be part of a school district goals and our unique program was development during the course of several school years.

A number of facility issues and concerns have been addressed including the expansion of specialized instructional space, Middle School classrooms, and a growing preschool program. The district renovated instructional space and educational support rooms for the continued expansion of the district early childhood and science and technology

Where Students Come First

HOBOKEN BOARD OF EDUCATION

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programs, and the relocation of the Middle School to a different building. These renovated areas will improve the general educational environment, support program reorganization and advance the delivery of preschools services. The High School also received an extensive renovation and upgrade project adding two additional science labs improving the overall learning delivery system. Redistribution of student enrollment and district reconfiguration continued to open educational options and supported the expansion of the district's preschool and educational programs.

Reducing or eliminating the food service deficit, accumulated over a period of years, continued to be a major focus for the Board of Education. After working diligently over the past few years, the Board of Education is proud to report that the accumulated deficit was eliminate and is reflected on the district's financial statements. The Board will continue to work with their new food service management company to address operational issues and improve revenue streams. New menu items, enhanced food quality, debt analysis, continued guarantee to break-even, along with other changes, will continue to improve operations.

ECONOMIC CONDITION AND OUTLOOK: Refer to the section of this report titled "Management Discussion and Analysis" for information on the economic condition and outlook.

INTERNAL ACCOUNTING CONTROLS: Management of the Board is responsible for establishing and maintaining internal accounting control 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 statements in conformity with accounting principles which are generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and, (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal 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 control, 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.

HOBOKEN BOARD OF EDUCATION

FY2018 Audit Introduction

28 January 2019

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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 Hoboken. Annual appropriated budgets are adopted for the general fund and the special revenue 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, 2018.

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 that will comply with GASB. Refer to the Management Discussion and Analysis section of this report for a detailed explanation.

CASH MANAGEMENT: The investment policy of the Board is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements". 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.

FINANCIAL INFORMATION AT FISCAL YEAR END: Refer to the section of this report titled "Management Discussion and Analysis" for year end highlighted financial information.

OTHER INFORMATION, INDEPENDENT AUDIT: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Higgins, LLP 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 and the related U.S. Uniform Guidance and New Jersey OMB's Circular 15-08. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

HOBOKEN BOARD OF EDUCATION

FY2018 Audit Introduction

28 January 2019

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ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Hoboken 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 operations. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office personnel.

Respectfully submitted,



Matthew Bouldin
School Business Administrator /
Board Secretary



ROSTER OF OFFICIALS JUNE 30, 2018

Board Member	Term Expires
Thomas Kluepfel (<i>President</i>)	2018
Sharyn Anglely (<i>Vice-President</i>)	2020
Sheillah Dallara	2019
Jennifer Evans	2019
Chetali Khanna	2020
John Madigan	2018
Britney Montgomery ¹	2018
Joyce Simons ²	2018
Irene Sobolov ³	2019
Melanie Tekirian	2020
Elizabeth Walker ^{4,5}	2018

Superintendent of Schools

Dr. Christine A. Johnson

Assistant Superintendent of Schools

Gerald Fitzhugh, II (*August 2016 – July 2018*)

Dr. Sandra Rodriguez-Gomez (*July 2018 – present*)

Business Administrator/Board Secretary

William P. Moffitt (*July 2013 - December 2018*)

Matthew Bouldin (*December 2018 – present*)

Assistant to the Business Administrator/Assistant Board Secretary

Donna Perez

¹ Ms. Montgomery resigned from her position as Board Member, effective as of December 12, 2017;

² Ms. Simons was appointed on September 11, 2018 to a 3-month term to fill the vacancy caused by Ms. Walker's resignation;

³ Ms. Sobolov resigned from her position as Board Member, effective as of September 12, 2018;

⁴ Ms. Walker was appointed on January 16, 2018 to a one-year term to fill the vacancy caused by Ms. Montgomery;

⁵ Ms. Walker resigned from her position as Board Member, effective as of July 24, 2018



**CONSULTANTS AND ADVISORS
JUNE 30, 2018**

Architect

Mount Vernon Group
24 Commerce Street, Suite #1827
Newark, New Jersey 07102

Audit Firm

Lerch, Vinci & Higgins, LLP
17-17 State Highway 208 North
Fair Lawn, New Jersey 07410

Board Counsel

Porzio, Bromberg & Newman P.C.
100 Southgate Parkway
P.O. Box 1997
Morristown, NJ 07962-1997

Engineers of Record (Environmental)

Pennjersey Environmental Consulting
326 Willow Grove Road
Stewartsville, NJ 08886

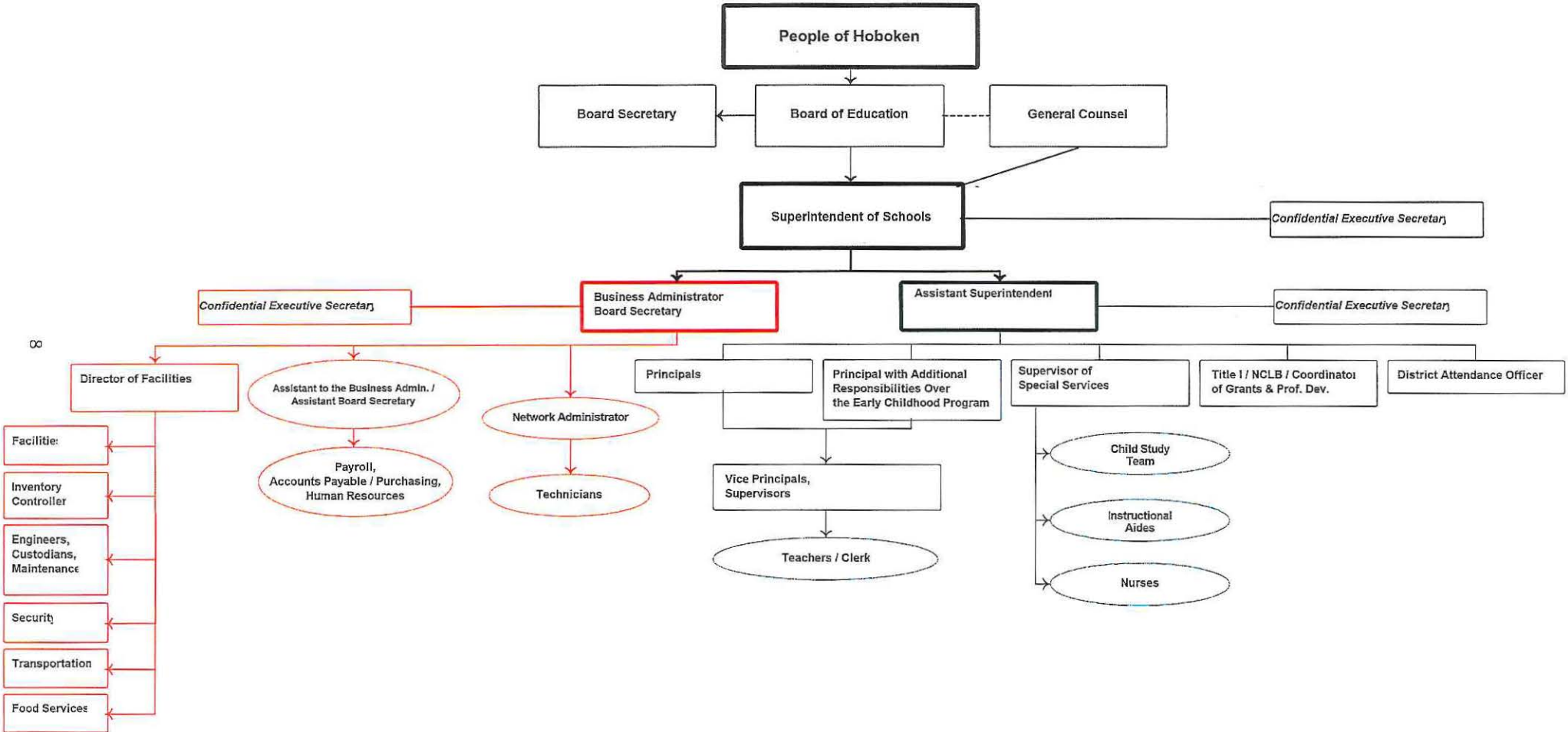
&

Partner Engineering and Science, Inc.
10 Mountainview Road, Suite N218
Ramsey, NJ 07458

Treasurer of School Monies

Business Office Staffing Solutions, LLC
66 Parsler Place
Fords, NJ 08863

HOBOKEN BOARD OF EDUCATION ORGANIZATIONAL





**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting
is presented to**

Hoboken Board of Education

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



Charles E. Peterson, Jr.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

John D. Musso

John D. Musso, CAE
Executive Director

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
SHERYL M. LEIDIG, CPA, PSA
ROBERT LERCH, CPA
CHRIS SOHN, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Hoboken Board of Education
Hoboken, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hoboken Board of Education as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Emphasis of Matter

Adoption of New Accounting Pronouncement

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2018 the Hoboken Board of Education adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hoboken Board of Education's basic financial statements. The introductory section, combining fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Hoboken Board of Education.

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


The introductory section, financial schedules and statistical section 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated January 28, 2019 on our consideration of the Hoboken Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Hoboken Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Hoboken Board of Education's internal control over financial reporting and compliance.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
January 28, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

**HOBOKEN BOARD OF EDUCATION
HOBOKEN, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

This section of the Hoboken Board of Education's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2018. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2017-2018 fiscal year include the following:

- The liabilities and deferred inflows of resources of the Hoboken Board of Education exceeded its assets and deferred outflows of resources at the close of the fiscal year by \$10,294,266 (Net Position).
- The District's total net position decreased \$1,664,126.
- Overall district revenues were \$88,206,222. General revenues accounted for \$50,421,989 or 57% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$37,784,233 or 43% of total revenues.
- Overall district expenses were \$89,870,348. Governmental activities accounted for \$88,107,789 or 98% of all expenses. Business-type activities accounted for \$1,762,559 or 2% of all expenses.
- The school district had \$88,107,789 in expenses for governmental activities; only \$36,582,548 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State and Federal aid) of \$50,421,989 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$6,873,560 a decrease of \$1,587,674 when compared to the previous year's ending fund balance.
- The General Fund unassigned fund balance on a GAAP basis at June 30, 2018 was \$12,130 a decrease of \$102,250 when compared with the beginning balance at July 1, 2017 of \$114,380.
- The General Fund unassigned budgetary fund balance at June 30, 2018 was \$1,321,966, which represents a decrease of \$113,436 when compared to the ending unassigned budgetary fund balance at June 30, 2017 of \$1,435,402.

**HOBOKEN BOARD OF EDUCATION
HOBOKEN, NEW JERSEY**

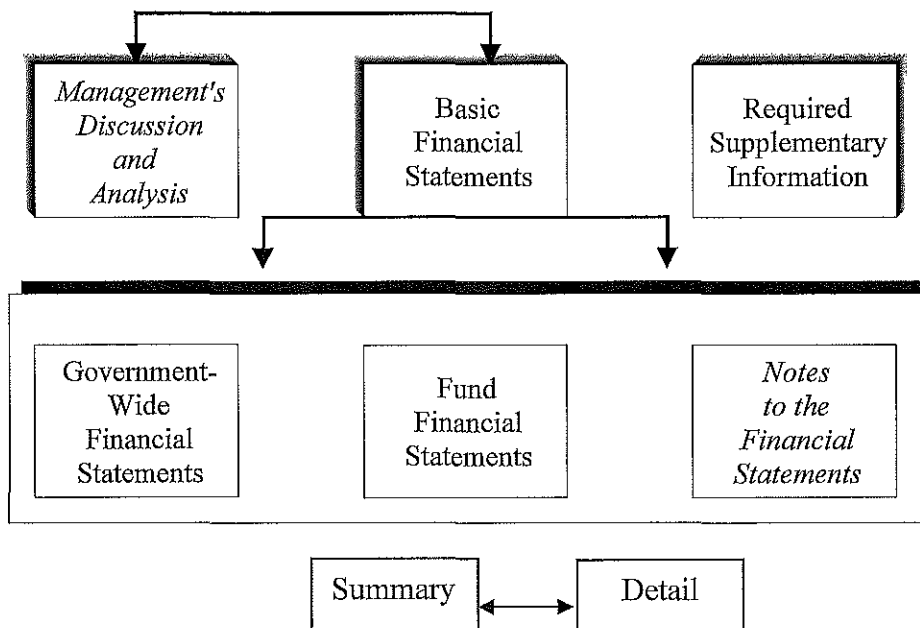
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

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

The financial statements also include *notes* that explain the information in the statements and provide more detailed data. The following illustration shows how the various parts of this annual report are arranged and related to one another.



**HOBOKEN BOARD OF EDUCATION
HOBOKEN, NEW JERSEY**

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

The following table summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as Regular and Special Education Instruction and Building maintenance	Activities the district operates similar to private businesses: Enterprise Fund	Instances in which the district administers resources held in trust, such as Unemployment, Payroll Agency and Student Activities
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenue, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources Focus
Type of asset/ deferred outflows/ inflows of resources/ liability information	All assets, liabilities, and deferred outflows/inflows of resources both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, liabilities and deferred inflows of resources, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or Paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

District-wide financial statements

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

The two district-wide statements report the District’s *net position* and how they have changed. Net position – the difference between the District’s assets/deferred outflows of resources and liabilities/deferred inflows of resources – is one way to measure the District’s financial health or position.

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For the Fiscal Year Ended June 30, 2018**

District-wide financial statements (continued)

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

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

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes and state aids finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund and After Care Program Fund are included under this category.

Fund financial statements

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

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

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

**HOBOKEN BOARD OF EDUCATION
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**Management's Discussion and Analysis
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Fund financial statements (continued)

Enterprise Funds – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has two enterprise funds.

- Food Service (Cafeteria)
- After Care Program

- *Fiduciary funds* – The District is the trustee, or *fiduciary*, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the financial statements.

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's budget process. The District adopts an annual expenditure budget for the general and special revenue funds. A budgetary comparison statement has been provided for the general and special revenue funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

The District also presents required supplementary information regarding the accounting and financial reporting for pensions as required under GASB Statement No. 68 as well as for Other Post-Employment Benefits as required under GASB Statement No. 75. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$10,294,266 and \$8,630,140 as of June 30, 2018 and June 30, 2017, respectively. The deficit in net position in the Governmental Activities is attributable to the unfunded long-term liabilities such as the net pension liability for the District employees participating in the NJ Public Employees Retirement System and compensated absences. These liabilities are reported in the government-wide statements but not on the fund financial statements. This deficit is not an indication that the District is facing financial difficulties as there is currently no mechanism available to fund these liabilities in advance and they are being funded on a pay-as-you-go basis.

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By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, construction in progress, vehicles, furniture and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Net Position
As of June 30, 2018 and 2017**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u> <u>(Restated)</u>	<u>2018</u>	<u>2017</u> <u>(Restated)</u>	<u>2018</u>	<u>2017</u> <u>(Restated)</u>
Assets						
Current Assets	\$ 8,267,710	\$ 9,703,210	\$ 196,539	\$ 89,851	\$ 8,464,249	\$ 9,793,061
Capital Assets	6,015,463	4,648,228	177,883	186,153	6,193,346	4,834,381
Total Assets	<u>14,283,173</u>	<u>14,351,438</u>	<u>374,422</u>	<u>276,004</u>	<u>14,657,595</u>	<u>14,627,442</u>
Deferred Outflows of Resources						
Deferred Amounts on Net Pension Liability	4,092,089	5,929,832	-	-	4,092,089	5,929,832
Total Deferred Outflows of Resources	<u>4,092,089</u>	<u>5,929,832</u>	<u>-</u>	<u>-</u>	<u>4,092,089</u>	<u>5,929,832</u>
Total Assets and Deferred Outflows of Resources	<u>18,375,262</u>	<u>20,281,270</u>	<u>374,422</u>	<u>276,004</u>	<u>18,749,684</u>	<u>20,557,274</u>
Liabilities						
Long-Term Liabilities	22,756,317	26,003,025	-	-	22,756,317	26,003,025
Other Liabilities	1,435,675	1,264,140	124,376	15,474	1,560,051	1,279,614
Total Liabilities	<u>24,191,992</u>	<u>27,267,165</u>	<u>124,376</u>	<u>15,474</u>	<u>24,316,368</u>	<u>27,282,639</u>
Deferred Inflows of Resources						
Deferred Amounts on Net Pension Liability	4,725,962	1,904,775	-	-	4,725,962	1,904,775
Deferred Commodities Revenues	-	-	1,620	-	1,620	-
Total Deferred Inflows of Resources	<u>4,725,962</u>	<u>1,904,775</u>	<u>1,620</u>	<u>-</u>	<u>4,727,582</u>	<u>1,904,775</u>
Total Liabilities and Deferred Inflows of Resources	<u>28,917,954</u>	<u>29,171,940</u>	<u>125,996</u>	<u>15,474</u>	<u>29,043,950</u>	<u>29,187,414</u>
Net Position						
Net Investment in Capital Assets	2,943,421	2,705,551	177,883	186,153	3,121,304	2,891,704
Restricted	4,947,730	7,651,953	-	-	4,947,730	7,651,953
Unrestricted (Deficit)	(18,433,843)	(19,248,174)	70,543	74,377	(18,363,300)	(19,173,797)
Total Net Position	<u>\$ (10,542,692)</u>	<u>\$ (8,890,670)</u>	<u>\$ 248,426</u>	<u>\$ 260,530</u>	<u>\$ (10,294,266)</u>	<u>\$ (8,630,140)</u>

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**Management's Discussion and Analysis
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**Change in Net Position
For The Fiscal Years Ended June 30, 2018 and 2017**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues						
Program Revenues						
Charges for Services	\$ 676,044	\$ 871,695	\$ 557,344	\$ 420,093	\$ 1,233,388	\$ 1,291,788
Operating Grants and Contributions	35,867,909	34,540,678	644,341	665,764	36,512,250	35,206,442
Capital Grants and Contributions	38,595	287,558			38,595	287,558
General Revenues						
Property Taxes	43,857,211	42,502,765			43,857,211	42,502,765
State and Federal Aid	6,063,195	6,337,940			6,063,195	6,337,940
Other	501,583	454,330	-	-	501,583	454,330
Total Revenues	<u>87,004,537</u>	<u>84,994,966</u>	<u>1,201,685</u>	<u>1,085,857</u>	<u>88,206,222</u>	<u>86,080,823</u>
Expenses						
Instruction						
Regular	47,620,923	46,227,801			47,620,923	46,227,801
Special Education	9,912,667	9,959,775			9,912,667	9,959,775
Other Instruction	364,583	226,914			364,583	226,914
School Sponsored Activities and Athletics	2,303,383	2,096,676			2,303,383	2,096,676
Support Services						
Student and Instruction Related Services	13,110,296	11,697,539			13,110,296	11,697,539
School Administrative Services	3,355,437	3,072,576			3,355,437	3,072,576
General Administrative Services	991,427	1,076,172			991,427	1,076,172
Central and Other Support Services	1,172,039	1,102,711			1,172,039	1,102,711
Plant Operations and Maintenance	7,351,677	9,718,374			7,351,677	9,718,374
Pupil Transportation	1,846,681	1,618,080			1,846,681	1,618,080
Interest on Long-Term Debt	78,676	25,259			78,676	25,259
Food Services			991,047	990,750	991,047	990,750
After Care Program	-	-	771,512	645,865	771,512	645,865
Total Expenses	<u>88,107,789</u>	<u>86,821,877</u>	<u>1,762,559</u>	<u>1,636,615</u>	<u>89,870,348</u>	<u>88,458,492</u>
Increase/(Decrease) in Net Position						
Before Transfers	(1,103,252)	(1,826,911)	(560,874)	(550,758)	(1,664,126)	(2,377,669)
Transfers	(548,770)	(433,995)	548,770	433,995	-	-
Change in Net Position	(1,652,022)	(2,260,906)	(12,104)	(116,763)	(1,664,126)	(2,377,669)
Net Position, Beginning of Year	(8,890,670)	1,302,811	260,530	288,138	(8,630,140)	1,590,949
Prior Period Adjustment - Capital Assets	-	(7,932,575)	-	89,155	-	(7,843,420)
Net Position, End of Year	<u>\$ (10,542,692)</u>	<u>\$ (8,890,670)</u>	<u>\$ 248,426</u>	<u>\$ 260,530</u>	<u>\$ (10,294,266)</u>	<u>\$ (8,630,140)</u>

**HOBOKEN BOARD OF EDUCATION
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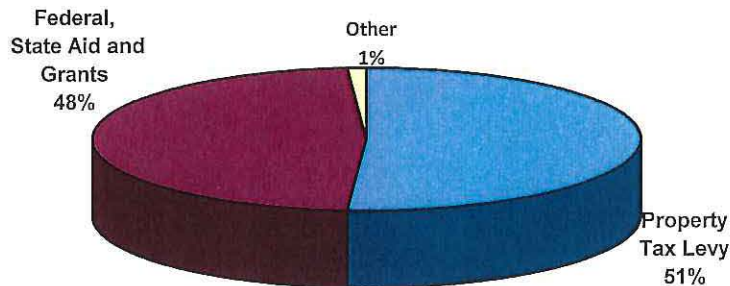
**Management's Discussion and Analysis
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Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$87,004,537 and \$84,994,966 for the years ended June 30, 2018 and June 30, 2017, respectively. Property taxes of \$43,857,211 and \$42,502,765 which represented 51% and 50% of the revenues for the fiscal years ended June 30, 2018 and 2017, respectively. Another significant portion of revenues came from State aid; total State, Federal and formula aid was \$41,969,699 and \$41,166,176 which represented 48% and 48% of the revenues for the fiscal years ended June 30, 2018 and 2017, respectively. Charges for services from tuition, transportation fees and rentals of \$676,044 and \$871,695 represented less than 1% of total revenues for the fiscal years ended June 30, 2018 and 2017, respectively. In addition, miscellaneous income is earned which includes items such as interest, prior year refunds and other miscellaneous items.

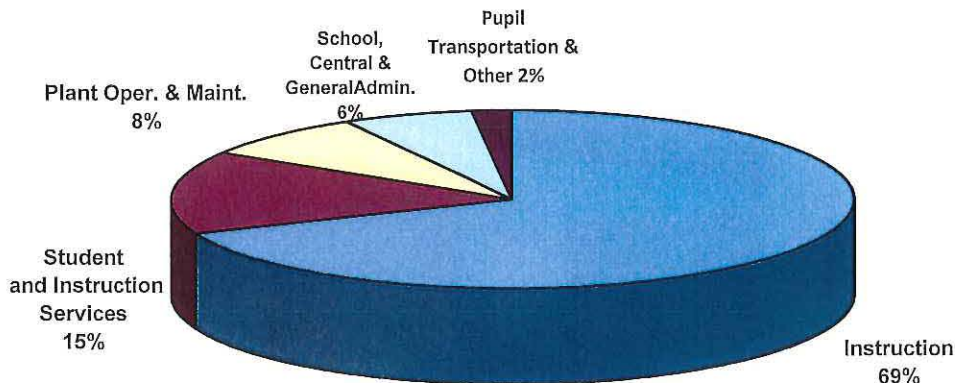
The total cost of all governmental activities programs and services were \$88,107,789 and \$86,821,877 for the fiscal years ended June 30, 2018 and 2017, respectively. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$60,201,556 and \$58,511,166 (68% and 67%) of total expenses for the fiscal years ended June 30, 2018 and 2017, respectively. Support services inclusive of interest on long-term debt totaled \$27,906,233 and \$28,310,711(32% and 33%) of total expenses.

Total governmental activities expenses and transfers exceeded revenues decreasing net position by \$1,652,022 from \$(8,890,670) at June 30, 2017 to \$(10,542,692) at June 30, 2018.

**Revenues by Source- Governmental Activities
For Fiscal Year 2018**



**Expenses by Type- Governmental Activities
For Fiscal Year 2018**



**HOBOKEN BOARD OF EDUCATION
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**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

Total and Net Cost of Governmental Activities. The District's total cost of services were \$88,107,789 and \$86,821,877 for the fiscal years ended June 30, 2018 and 2017, respectively. After applying program revenues, derived from charges for services of \$676,044 and \$871,695; operating grants and contributions of \$35,867,909 and \$34,540,678; and capital grants and contributions of \$38,595 and \$287,558, for the fiscal year ended June 30, 2018 and 2017, respectively; the net cost of services of the District were \$51,525,241 and \$51,121,946 for the fiscal years ended June 30, 2018 and 2017, respectively.

**Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2018 and 2017**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Instruction				
Regular	\$ 47,620,923	\$ 46,227,801	\$ 25,054,133	\$ 23,673,706
Special Education	9,912,667	9,959,775	4,274,188	4,145,845
Other Instruction	364,583	226,914	329,740	226,914
School Sponsored Activities and Athletics	2,303,383	2,096,676	1,553,479	1,423,420
Support Services				
Student and Instruction Related Services	13,110,296	11,697,539	8,894,443	8,058,400
General Administrative Services	991,427	1,076,172	946,862	1,076,172
School Administrative Services	3,355,437	3,072,576	2,008,109	1,865,125
Central and Other Support Services	1,172,039	1,102,711	1,075,479	1,102,711
Plant Operations and Maintenance	7,351,677	9,718,374	5,628,859	8,053,321
Pupil Transportation	1,846,681	1,618,080	1,681,273	1,471,073
Interest on Long-Term Debt	<u>78,676</u>	<u>25,259</u>	<u>78,676</u>	<u>25,259</u>
 Total	 <u>\$ 88,107,789</u>	 <u>\$ 86,821,877</u>	 <u>\$ 51,525,241</u>	 <u>\$ 51,121,946</u>

Business-Type Activities – The District's total business-type activities revenues were \$1,201,685 and \$1,085,857 for the fiscal years ended June 30, 2018 and June 30, 2017. Charges for services accounted for 46% and 39% of total revenues and operating/capital grants and contributions accounted for 54% and 61% of total revenue for the fiscal years ended June 30, 2018 and 2017. There were transfers of \$548,770 and \$433,995 from the governmental activities to the business-type activities for the years ended June 30 2018 and 2017, respectively.

The total cost of all business-type activities programs and services were \$1,762,559 and \$1,636,615 for the fiscal years ended June 30, 2018 and 2017. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District as well as the expenses related to the After Care Program known as "Passport to Learning". For fiscal years ended June 30, 2018 and 2017 the district transferred \$548,770 and \$433,995 to the After Care Program Fund to provide additional funding for the program.

Total business-type activities expenses exceeded revenues and transfers decreasing net position by \$12,104 from \$260,530 at June 30, 2017 to \$248,426 at June 30, 2018.

**HOBOKEN BOARD OF EDUCATION
HOBOKEN, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$6,873,560 for the fiscal year ended June 30, 2018 compared to a fund balance of \$8,461,234 for the year ended June 30, 2017, a decrease of \$1,587,674 for the year.

Revenues and other financing sources for the District's governmental funds were \$81,066,685 and \$81,815,647, while total expenses and transfers were \$82,654,359 and \$80,821,272 for the fiscal years ended June 30, 2018 and 2017.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from pre-kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a comparison of General Fund Revenues for the fiscal years ended June 30, 2018 and 2017:

	Fiscal Year Ended		Amount of	
	June 30,		Increase	Percent
	<u>2018</u>	<u>2017</u>	<u>(Decrease)</u>	<u>Change</u>
Local Sources				
Property Tax Levy	\$ 43,857,211	\$ 42,502,765	\$ 1,354,446	3%
Tuition	137,414	199,242	(61,828)	-31%
Miscellaneous	1,027,206	1,124,758	(97,552)	-9%
State Sources	16,966,278	16,250,397	715,881	4%
Federal Sources	<u>132,610</u>	<u>252,747</u>	<u>(120,137)</u>	-48%
Total General Fund Revenues	<u>\$ 62,120,719</u>	<u>\$ 60,329,909</u>	<u>\$ 1,790,810</u>	3%
Other Financing Sources	<u>2,094,051</u>	<u>1,333,678</u>	<u>760,373</u>	57%
Total	<u>\$ 64,214,770</u>	<u>\$ 61,663,587</u>	<u>\$ 2,551,183</u>	4%

Local property taxes increased by 3% from the previous year. State aid revenues increased \$715,881, predominantly attributable to an increase in State On-Behalf TPAF pension costs contributed by the State. The Federal aid revenues decreased by \$120,137 or 48% which was mainly due to decreases in Medical Assistance (SEMI) program reimbursements submitted by the District and Impact Aid received. Miscellaneous revenues decreased \$97,552 or 9% due primarily to the decrease in rental fees and refunds on prior year expenditures. The increase in other

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**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

General Fund (Continued)

financing sources was due to funds returned from Capital Projects Fund to capital reserve for projects subsequently funded with lease purchase proceeds.

The following schedule presents a comparison of General Fund expenditures for the fiscal years ended June 30, 2018 and 2017:

	Fiscal Year Ended		Amount of Increase (Decrease)	Percent Change
	June 30, <u>2018</u>	<u>2017</u>		
Instruction	\$ 40,538,576	\$ 38,634,497	\$ 1,904,079	5%
Support Services	20,564,662	19,692,990	871,672	4%
Capital Outlay	276,729	392,095	(115,366)	-29%
Debt Service	<u>346,797</u>	<u>205,713</u>	<u>141,084</u>	69%
Total Expenditures	<u>61,726,764</u>	<u>58,925,295</u>	<u>2,801,469</u>	5%
Other Financing Uses	<u>893,590</u>	<u>3,677,335</u>	<u>(2,783,745)</u>	-76%
Total	<u>\$ 62,620,354</u>	<u>\$ 62,602,630</u>	<u>\$ 17,724</u>	0%

Total General Fund expenditures increased \$2,801,469 or 5% over the previous year. The District experienced increases in areas of instruction. The decrease in capital outlay was the result of the high school building improvements budgeted during the fiscal year ended June 30, 2017. The increase in debt service expenditures was the result of payments made on new lease purchase agreements. The decrease in other financing uses was due to a decline in the amount of capital reserve funds transferred to Capital Projects Fund.

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal, State and Local sources utilized in the operations of the district in providing educational services to students with special needs.

Revenues of the Special Revenue Fund were \$14,765,908 and \$14,719,137, for the fiscal years ended June 30, 2018 and 2017. State sources accounted for the majority of Special Revenue Fund's revenue which represented 87% and 87% of the total revenues for the fiscal years ended June 30, 2018 and 2017, respectively.

Total Special Revenue Fund revenues increased \$46,771 or less than 1% from the previous year. State sources increased \$134,984 or 1%, Federal sources decreased by \$86,763 or 4% and local sources decreased \$1,450. There was also a transfer of \$344,820 from the general operating fund budget for the fiscal year ended June 30, 2018. This was to fund the inclusion of prekindergarten students.

Expenditures and other financing uses of the Special Revenue Fund were \$15,749,026 and \$15,192,077 for the fiscal years ended June 30, 2018 and 2017. Instructional expenditures were \$11,467,520 and \$10,922,686 or 73% and 72% and expenditures for the support services were \$3,731,067 and \$3,750,516 or 24% and 25% of total expended for the fiscal years ended June 30, 2018 and 2017. The remaining expenditures were capital outlay expenditures of \$10,415 and \$-0- for the fiscal years ended June 30, 2018 and 2017, respectively. There was a transfer of \$540,024 and \$518,875 to School Based Budgets within the General Fund during fiscal years ended June 30, 2018 and 2017, respectively.

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For the Fiscal Year Ended June 30, 2018**

Capital Projects Fund – The capital projects expenditures and other financing uses exceeded revenues and other financing sources by \$2,543,792 decreasing fund balance to \$457,798. This decrease was primarily due to the expenditures relating to the middle school renovations and district-wide technology upgrades projects.

Proprietary Funds

The District maintains Enterprise Funds to account for activities which are supported in part through user fees.

Enterprise Funds - The District uses Enterprise Funds to report activities related to the Food Services and After Care programs. The District's Enterprise Funds provide the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of these Funds have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

Over the course of the year, the District revised the annual operating budget several times, increasing the final general fund budget by \$478,786, which includes various transfers and modifications.

Additional information on the budget and the amendments thereto is presented in Note 2 of the "Notes to the Financial Statements" as well as Exhibit C-1 "General Fund Budgetary Comparison Schedule – Budget to Actual".

General Fund budgetary revenues and other financing sources exceeded budgetary expenditures and other financing uses increasing budgetary fund balance \$1,583,230 over the previous year. After deducting restrictions, commitments and assignments, the unassigned budgetary fund balance decreased \$113,436 from a balance of \$1,435,402 at June 30, 2017 to a balance of \$1,321,966 at June 30, 2018.

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2018 and 2017 amounted to \$6,193,346 and \$4,834,381 (net of accumulated depreciation). The capital assets consist of land, land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal years 2017-2018 and 2016-2017 amounted to \$802,268 and \$3,185,597 for governmental activities and \$10,344 and \$12,638 for business-type activities.

Capital Assets at June 30, 2018 and 2017
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u> (Restated)	<u>2018</u>	<u>2017</u> (Restated)	<u>2018</u>	<u>2017</u> (Restated)
Land Improvements	\$ 1,716,613	\$ 1,831,917			\$ 1,716,613	\$ 1,831,917
Building and Building Improvements	2,996,411	1,874,742			2,996,411	1,874,742
Machinery and Equipment	<u>1,302,439</u>	<u>941,569</u>	\$ 177,883	\$ 186,153	<u>1,480,322</u>	<u>1,127,722</u>
Total Capital Assets, Net	<u>\$ 6,015,463</u>	<u>\$ 4,648,228</u>	<u>\$ 177,883</u>	<u>\$ 186,153</u>	<u>\$ 6,193,346</u>	<u>\$ 4,834,381</u>

Additional information on the District's capital assets is presented in the Notes to the Financial Statements of this report.

**HOBOKEN BOARD OF EDUCATION
HOBOKEN, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018**

LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of compensated absences payable of \$3,574,332 and \$3,684,807, lease purchases payable of \$3,376,277 and \$2,100,000, and net pension liability of \$15,805,708 and \$20,218,218 for the fiscal years ended June 30, 2018 and 2017, respectively.

Additional information of the District's long-term liabilities is presented in the Notes to the Financial Statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Many factors were considered by the District's administration during the process of developing the fiscal year 2017-2018 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2018-2019. Budgeted expenditures in the General Fund increased 3.7 percent to \$58,445,613 in fiscal year 2018-2019.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator, Hoboken Board of Education, 158 Fourth Street, Hoboken, NJ 07030.

BASIC FINANCIAL STATEMENTS

**HOBOKEN BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2018**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 7,374,120	\$ 30,428	\$ 7,404,548
Receivables, Net	589,355	148,646	738,001
Inventories		17,465	17,465
Restricted Cash with Fiscal Agent	304,235		304,235
Capital Assets, Net			
Capital Assets, Being Depreciated	6,015,463	177,883	6,193,346
Total Assets	14,283,173	374,422	14,657,595
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	4,092,089	-	4,092,089
Total Deferred Outflows of Resources	4,092,089	-	4,092,089
Total Assets and Deferred Outflows of Resources	18,375,262	374,422	18,749,684
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,205,847	83,039	1,288,886
Accrued Interest	41,525		41,525
Payable to State Government	136,591		136,591
Unearned Revenue	51,712	41,337	93,049
Noncurrent Liabilities			
Due Within One Year	933,819		933,819
Due Beyond One Year	21,822,498		21,822,498
Total Liabilities	24,191,992	124,376	24,316,368
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	4,725,962		4,725,962
Deferred Commodities Revenue		1,620	1,620
Total Deferred Inflows of Resources	4,725,962	1,620	4,727,582
Total Liabilities and Deferred Inflows of Resources	28,917,954	125,996	29,043,950
NET POSITION			
Net Investment in Capital Assets	2,943,421	177,883	3,121,304
Restricted for:			
Capital Projects	3,273,633		3,273,633
Other Purposes - Maintenance	1,110,333		1,110,333
Other Purposes - Emergency	563,764		563,764
Unrestricted	(18,433,843)	70,543	(18,363,300)
Total Net Position	\$ (10,542,692)	\$ 248,426	\$ (10,294,266)

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

HOBOKEN BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
Instruction							
Regular	\$ 47,620,923		\$ 22,556,375	\$ 10,415	\$ (25,054,133)		\$ (25,054,133)
Special Education	9,912,667	\$ 137,414	5,501,065		(4,274,188)		(4,274,188)
Other Instruction	364,583		34,843		(329,740)		(329,740)
School Sponsored Activities and Athletics	2,303,383		749,904		(1,553,479)		(1,553,479)
Support Services							
Student and Instruction Related Svcs.	13,110,296		4,215,853		(8,894,443)		(8,894,443)
School Administrative Services	3,355,437		1,347,328		(2,008,109)		(2,008,109)
General Administrative Svcs.	991,427		44,565		(946,862)		(946,862)
Plant Operations and Maintenance	7,351,677	515,350	1,179,288	28,180	(5,628,859)		(5,628,859)
Central Services & Adm. Inf. Technology	1,172,039		96,560		(1,075,479)		(1,075,479)
Pupil Transportation	1,846,681	23,280	142,128		(1,681,273)		(1,681,273)
Interest on Long-Term debt	78,676				(78,676)		(78,676)
Total Governmental Activities	88,107,789	676,044	35,867,909	38,595	(51,525,241)	-	(51,525,241)
Business-Type Activities							
Food Service	991,047	334,602	644,341			\$ (12,104)	(12,104)
After Care Program	771,512	222,742				(548,770)	(548,770)
Total Business-Type Activities	1,762,559	557,344	644,341	-	-	(560,874)	(560,874)
Total Primary Government	\$ 89,870,348	\$ 1,233,388	\$ 36,512,250	\$ 38,595	(51,525,241)	(560,874)	(52,086,115)

HOBOKEN BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
General Revenues and Transfers			
General Revenues			
Taxes:			
Property Taxes, Levied for General Purposes	\$ 43,857,211		\$ 43,857,211
Unrestricted State and Federal Aid	6,063,195		6,063,195
Miscellaneous	501,583		501,583
Transfers	(548,770)	\$ 548,770	
Total General Revenues and Transfers	49,873,219	548,770	50,421,989
Change in Net Position	(1,652,022)	(12,104)	(1,664,126)
Net Position, Beginning of Year (Restated)	(8,890,670)	260,530	(8,630,140)
Net Position, End of Year	\$ (10,542,692)	\$ 248,426	\$ (10,294,266)

FUND FINANCIAL STATEMENTS

**HOBOKEN BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2018**

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 7,029,289		\$ 344,831	\$ 7,374,120
Due From Other Funds	740,287			740,287
Receivables From Other Governments	75,402	\$ 275,065		350,467
Accounts Receivable	205,772			205,772
Restricted Cash with Fiscal Agent	-		304,235	304,235
Total Assets	<u>\$ 8,050,750</u>	<u>\$ 275,065</u>	<u>\$ 649,066</u>	<u>\$ 8,974,881</u>
LIABILITIES				
Liabilities				
Accounts Payable	\$ 629,021	\$ 47,489	\$ 55,027	\$ 731,537
Accrued Salaries & Wages	153,945			153,945
Compensated Absences Payable	50,000			50,000
Other Current Liabilities	134,124		136,241	270,365
Payable to State Government		136,591		136,591
Due To Other Funds		707,171		707,171
Unearned Revenue		51,712		51,712
Total Liabilities	<u>967,090</u>	<u>942,963</u>	<u>191,268</u>	<u>2,101,321</u>
FUND BALANCES				
Restricted				
Capital Reserve	3,120,070			3,120,070
Maintenance Reserve	1,110,333			1,110,333
Emergency Reserve	563,764			563,764
Excess Surplus	1,167,222			1,167,222
Excess Surplus- Designated for Subsequent Year's Expenditures (2018/19 Budget)	878,971			878,971
Capital Projects			457,798	457,798
Assigned				
Year End Encumbrances	231,170			231,170
Unassigned				
General	12,130			12,130
Special Revenue		(667,898)		(667,898)
Total Fund Balances	<u>7,083,660</u>	<u>(667,898)</u>	<u>457,798</u>	<u>6,873,560</u>
Total Liabilities and Fund Balances	<u>\$ 8,050,750</u>	<u>\$ 275,065</u>	<u>\$ 649,066</u>	<u>\$ 8,974,881</u>

**HOBOKEN BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2018**

Total Fund Balances (Exhibit B-1) \$ 6,873,560

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$26,994,798 and the accumulated depreciation is \$20,979,335.

6,015,463

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.

Deferred Outflows of Resources	\$	4,092,089	
Deferred Inflows of Resources		<u>(4,725,962)</u>	(633,873)

The District has financed capital assets through the issuance of long-term lease obligations. The interest accrual at year end is:

(41,525)

Long-term liabilities, including lease purchase agreements payable and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds .

Compensated Absences		(3,574,332)	
Lease Purchase Agreements		(3,376,277)	
Net Pension Liability		<u>(15,805,708)</u>	<u>(22,756,317)</u>

Net Position of Governmental Activities (Exhibit A-1) \$ (10,542,692)

HOBOKEN BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local Sources				
Local Property Tax Levy	\$ 43,857,211			\$ 43,857,211
Tuition - LEA's	137,414			137,414
Transportation Fees- Other LEAs	23,280			23,280
Rentals	515,350			515,350
Interest on Investments	50,350		\$ 13,007	63,357
Miscellaneous	438,226	\$ 8,405		446,631
Total - Local Sources	45,021,831	8,405	13,007	45,043,243
State Sources	16,966,278	12,905,081	28,180	29,899,539
Federal Sources	132,610	1,852,422		1,985,032
Total Revenues	62,120,719	14,765,908	41,187	76,927,814
EXPENDITURES				
Current				
Instruction				
Regular Instruction	31,017,592	10,386,130		41,403,722
Special Education Instruction	7,340,287	1,081,390		8,421,677
Other Instruction	324,618			324,618
School Sponsored Cocurricular/Athletics	1,856,079			1,856,079
Support Services				
Student and Instruction Related Services	8,064,458	3,292,120	566,885	11,923,463
School Administrative Services	2,358,708	438,947		2,797,655
General Administrative Services	938,810			938,810
Plant Operations and Maintenance	6,314,994		145,467	6,460,461
Central Sys. & Adm. Info. Technology	1,061,284			1,061,284
Pupil Transportation	1,826,408			1,826,408
Debt Service				
Principal	316,232		107,491	423,723
Interest and Other Charges	30,565		28,750	59,315
Capital Outlay	276,729	10,415	1,882,359	2,169,503
Total Expenditures	61,726,764	15,209,002	2,730,952	79,666,718
Excess (Deficiency) of Revenues Over (Under) Expenditures	393,955	(443,094)	(2,689,765)	(2,738,904)
OTHER FINANCING SOURCES (USES)				
Lease Purchase Proceeds			1,700,000	1,700,000
Transfers In	2,094,051	344,820		2,438,871
Transfers Out	(893,590)	(540,024)	(1,554,027)	(2,987,641)
Total Other Financing Sources and Uses	1,200,461	(195,204)	145,973	1,151,230
Net Change in Fund Balances	1,594,416	(638,298)	(2,543,792)	(1,587,674)
Fund Balance, Beginning of Year	5,489,244	(29,600)	3,001,590	8,461,234
Fund Balance, End of Year	<u>\$ 7,083,660</u>	<u>\$ (667,898)</u>	<u>\$ 457,798</u>	<u>\$ 6,873,560</u>

**HOBOKEN BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (1,587,674)**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.

Capital Outlays	\$ 2,169,503	
Depreciation Expense	<u>(802,268)</u>	
		1,367,235

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Debt Issued:		
Lease Purchase Agreements	(1,700,000)	
Principal Repayments:		
Lease Purchase Agreements	<u>423,723</u>	
		(1,276,277)

In the statement of activities, certain operating expenses - compensated absences and pension expense - are measured by the amounts earned or incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Net Decrease in Compensated Absences	110,475	
Net Increase in Pension Expense	<u>(246,420)</u>	
		(135,945)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Increase in Accrued Interest		<u>(19,361)</u>
------------------------------	--	-----------------

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ (1,652,022)**

**HOBOKEN BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2018**

	<u>Business -Type Activities- Enterprise Funds</u>		
	<u>Food Service Fund</u>	<u>After Care Program Fund</u>	<u>Totals</u>
ASSETS			
Current Assets			
Cash	\$ 1,294	\$ 29,134	\$ 30,428
Accounts Receivable			
Federal	58,405		58,405
State	952		952
Other	89,289		89,289
Inventories	17,465	-	17,465
Total Current Assets	<u>167,405</u>	<u>29,134</u>	<u>196,539</u>
Capital Assets			
Furniture, Machinery, and Equipment	564,023		564,023
Less: Accumulated Depreciation	<u>(386,140)</u>	<u>-</u>	<u>(386,140)</u>
Total Capital Assets , Net	<u>177,883</u>	<u>-</u>	<u>177,883</u>
Total Assets	<u>345,288</u>	<u>29,134</u>	<u>374,422</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	79,799	3,240	83,039
Unearned Revenues	15,443	25,894	41,337
Total Current Liabilities	<u>95,242</u>	<u>29,134</u>	<u>124,376</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Commodities Revenue	1,620	-	1,620
Total Deferred Inflows of Resources	<u>1,620</u>	<u>-</u>	<u>1,620</u>
Total Liabilities and Deferred Inflows of Resources	<u>96,862</u>	<u>-</u>	<u>125,996</u>
NET POSITION			
Investment in Capital Assets	177,883		177,883
Unrestricted	70,543	-	70,543
Total Net Position	<u>\$ 248,426</u>	<u>\$ -</u>	<u>\$ 248,426</u>

**HOBOKEN BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Business -Type Activities- Enterprise Funds		
	Food Service Fund	After Care Program Fund	Totals
OPERATING REVENUES			
Charges for Services			
Daily Sales-Reimbursable Programs			
School Lunch Program	\$ 242,138		\$ 242,138
Daily Sales-Non-Reimbursable Programs	74,229		74,229
Program Fees		\$ 222,742	222,742
Miscellaneous	18,235	-	18,235
	<u>334,602</u>	<u>222,742</u>	<u>557,344</u>
Total Operating Revenues			
OPERATING EXPENSES			
Cost of Sales- Reimbursable Food Programs	419,941		419,941
Cost of Sales- Nonreimbursable Food Programs	36,428		36,428
Salaries & Benefits	413,456	431,771	845,227
Purchased Service	15,329	339,741	355,070
Management Fee	60,988		60,988
Supplies and Materials	34,561		34,561
Depreciation	10,344	-	10,344
	<u>991,047</u>	<u>771,512</u>	<u>1,762,559</u>
Total Operating Expenses			
Operating Income/(Loss)	<u>(656,445)</u>	<u>(548,770)</u>	<u>(1,205,215)</u>
NONOPERATING REVENUES			
State Sources			
State School Lunch Program	10,994		10,994
Federal Sources			
National School Lunch Program	435,678		435,678
Food Distribution Program	67,615		67,615
National School Breakfast Program	67,622		67,622
Child Care Food Program	62,432	-	62,432
	<u>644,341</u>	<u>-</u>	<u>644,341</u>
Total Nonoperating Revenues			
Net Loss Before Transfers	(12,104)	(548,770)	(560,874)
TRANSFERS			
Transfer In	-	548,770	548,770
Change in Net Position	(12,104)	-	(12,104)
Net Position, Beginning of Year (Restated)	260,530	-	260,530
Net Position , End of Year	<u>\$ 248,426</u>	<u>\$ -</u>	<u>\$ 248,426</u>

**HOBOKEN BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENTS OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Business -Type Activities- Enterprise Funds</u>		
	<u>Food Service Fund</u>	<u>After Care Program Fund</u>	<u>Totals</u>
Cash Flows from Operating Activities			
Cash Receipts from Customers	\$ 259,657	\$ 248,336	\$ 507,993
Cash Payments for Salaries and Benefits	(413,456)	(431,771)	(845,227)
Cash Payments to Suppliers for Goods and Services	(421,722)	(336,501)	(758,223)
Net Cash Provided/ (Used) By Operating Activities	(575,521)	(519,936)	(1,095,457)
Cash Flows from Noncapital Financing Activities			
Cash Received from State and Federal Sources	578,889		578,889
Cash Received/Cash Payments from General Fund	-	548,770	548,770
Net Cash Provided By Noncapital Financing Activities	578,889	548,770	1,127,659
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(2,074)	-	(2,074)
Net Cash Used by Capital Financing Activities	(2,074)	-	(2,074)
Net Increase in Cash	1,294	28,834	30,128
Cash , Beginning of Year	-	300	300
Cash , End of Year	\$ 1,294	\$ 29,134	\$ 30,428
Reconciliation of Operating Income/(Loss) to Net Cash Provided (Used) By Operating Activities:			
Operating Income/(Loss)	\$ (656,445)	\$ (548,770)	\$ (1,205,215)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	10,344		10,344
Non-Cash Federal Assistance-Food Distribution Program	67,615		67,615
Changes in Assets, Liabilities and Deferred Inflows of Resources			
(Increase)/Decrease in Other Receivables	(58,578)		(58,578)
(Increase)/Decrease in Inventories	(3,449)		(3,449)
Increase/(Decrease) in Deferred Inflows of Resources	(444)		(444)
Increase/(Decrease) in Due to Other Funds	(16,696)		(16,696)
Increase/(Decrease) in Unearned Revenue	2,333	25,594	27,927
Increase/(Decrease) in Accounts Payable	79,799	3,240	83,039
Total Adjustments	80,924	28,834	109,758
Net Cash Used by Operating Activities	\$ (575,521)	\$ (519,936)	\$ (1,095,457)
Non-Cash Investing Capital and Financing Activities			
Value Received for Food Distribution Program	\$ 67,171		

**HOBOKEN BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2018**

	Agency <u>Fund</u>
ASSETS	
Cash and Cash Equivalents	\$ 805,011
Accounts Receivable	2,435
Prepaid Item	<u>1,458</u>
Total Assets	<u>\$ 808,904</u>
 LIABILITIES	
Payroll Deductions and Withholdings	\$ 638,751
Due to Other Funds	33,116
Accrued Salaries and Wages	1,125
Due to Student Groups	<u>135,912</u>
Total Liabilities	<u>\$ 808,904</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

NOTES TO THE FINANCIAL STATEMENTS

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Hoboken Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Hoboken Board of Education this includes general operations, food service, after care program and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2018, the District adopted the following GASB statements:

- GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.
- GASB No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and post-employment benefits (pensions and other post-employment benefits (OPEB)).
- GASB No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.
- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, will be effective beginning with the fiscal year ending June 30, 2019. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistency provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms association with debt will be disclosed.
- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, will be effective beginning with the fiscal year ending June 30, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid, federal grants for school-based budgeting and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs.

The *capital projects fund* accounts for the proceeds from lease purchases and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for teachers and special events.

The *after care program fund* accounts for the activities of the District's after care program which provides extended school day program activities.

Additionally, the government reports the following fund types:

The *fiduciary agency funds* account for assets held by the District as an agent for student activities and for payroll deductions and withholdings. The funds for the student activities fund are solely for noninstructional student activities that are supported and controlled by student organizations and clubs for which school administration does not have management involvement. The payroll funds are held to remit employee withholdings to respective state, federal and other agencies.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, tuition, transportation fees, rental fees, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. Receivables

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as deferred inflows of resources.

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both district-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

5. Restricted Assets

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts for Lease-Purchase Agreements for capital projects.

6. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	20-50
Building Improvements	20
Machinery and Equipment	5-15

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. The item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

7. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items which arise only under the accrual basis of accounting that qualify for reporting in this category. The one item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other type of item that qualifies for reporting in the category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

8. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation and sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

9. Pensions

In the district-wide financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

10. Long-Term Obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

11. Net Position/Fund Balance

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2D).

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2E).

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2F).

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2018 audited excess surplus that is required to be appropriated in the 2019/2020 original budget certified for taxes.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

11. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Excess Surplus – Designated for Subsequent Year’s Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2017 audited excess surplus that was appropriated in the 2018/2019 original budget certified for taxes.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (capital projects and debt service fund types), it is the District’s policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

12. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the government that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, federal grants for school-based budgeting, investment earnings and miscellaneous revenues.

2. Property Taxes

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual “in rem” tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Tuition Revenues and Expenditures

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2016-2017 and 2017-2018 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. Proprietary Funds, Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund and of the after care program enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education (“the Department”), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general and special revenue funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district’s annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On February 14, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2017/2018. Also, during 2017/2018 the Board increased the original general fund budget by \$478,786 and the original special revenue fund budget by \$1,030,282. The increase was funded by additional grant awards and the reappropriation of prior year general fund encumbrances.

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 committed and/or assigned 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 which are reappropriated and honored during the subsequent fiscal year.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Excess Expenditures Over Appropriations

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Regular Programs – Undistributed Instruction			
Other Salaries for Instruction	\$268,294	\$281,843	\$(13,549)
Other Supp. Serv. Students – Extra Service			
Salaries	1,109,059	1,181,397	(72,338)
Custodial Services			
Salaries	1,555,811	1,608,862	(53,051)
Other Purchased Services	133,041	184,349	(50,708)
Security			
Salaries	442,309	445,458	(3,149)

The expenditures in excess of appropriations were the result of audit adjustments to accrue additional liabilities at June 30, 2018. The above variances were offset with other available resources.

C. Deficit Fund Equity

The District has an unassigned fund deficit of \$667,898 in the Special Revenue Fund as of June 30, 2018 as reported in the fund financial statements (modified accrual basis). NJSA 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 these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, “Accounting and Financial Reporting for Nonexchange Transactions”, requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2017/2018 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the Special Revenue Fund deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficit in the GAAP (fund) financial statements of \$667,898 in the Special Revenue Fund is less than the delayed state aid payments at June 30, 2018.

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained 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. 6:23A-14.1(g), the balance in the reserve cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the fiscal year ended June 30, 2018 is as follows:

Balance, July 1, 2017		\$ 1,601,801
Increased by		
Interest Earnings	\$ 6,400	
Unexpended Funds Returned from Capital Projects Fund	<u>1,511,869</u>	
		<u>1,518,269</u>
Balance, June 30, 2018		<u>\$ 3,120,070</u>

E. Maintenance Reserve

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Maintenance Reserve (Continued)

The activity of the maintenance reserve for the fiscal year ended June 30, 2018 is as follows:

Balance, July 1, 2017		\$ 1,107,633
Increased by		
Interest Earnings	<u>\$ 2,700</u>	<u>2,700</u>
Balance, June 30, 2018		<u>\$ 1,110,333</u>

The June 30, 2018 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$4,430,529.

F. Emergency Reserve

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of \$250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of \$1,000,000.

The activity of the emergency reserve for the fiscal year ended June 30, 2018 is as follows:

Balance, July 1, 2017		\$ 580,000
Decreased by		
Withdrawal from Reserve - Excess over Allowable Balance	<u>16,236</u>	
Balance, June 30, 2018		<u>\$ 563,764</u>

G. Transfers to Capital Outlay

During the 2017/2018 school year, the district transferred \$25,000 to the non-equipment capital outlay accounts. The transfer was approved by the County Superintendent to support an emergent circumstance pursuant to N.J.A.C. 6A:23A-13.3(h).

H. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2018 is \$2,046,193. Of this amount, \$878,971 was designated and appropriated in the 2018/2019 original budget certified for taxes and the remaining amount of \$1,167,222 will be appropriated in the 2019/2020 original budget certified for taxes.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2018, the book value of the Board's deposits were \$8,513,794 and bank and brokerage firm balances of the Board's deposits amounted to \$10,535,575. The Board's deposits which are displayed on the various fund balance sheets as "cash with Fiscal Agent" or "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	
Cash and Cash Equivalents	\$ 10,003,994
Restricted Cash with Fiscal Agent	304,235
Uninsured and Uncollateralized	
Cash and Cash Equivalents	<u>227,346</u>
	<u>\$ 10,535,575</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2018 the Board's bank balance of \$227,346 was exposed to custodial credit risk as follows:

<u>Depository Account</u>	<u>Bank Balance</u>
Uninsured and Uncollateralized	<u>\$ 227,346</u>
	<u>\$ 227,346</u>

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law," (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2018, the Board had no outstanding investments.

B. Receivables

Receivables as of June 30, 2018 for the district's individual major funds and fiduciary fund are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Payroll Agency</u>	<u>Total</u>
Receivables:					
Accounts	\$205,772		\$ 89,289	\$ 2,435	\$ 297,496
Intergovernmental-					
Federal	710	\$ 275,065	58,405		334,180
State	<u>74,692</u>	<u>-</u>	<u>952</u>	<u>-</u>	<u>75,644</u>
Total Gross Receivables	<u>\$281,174</u>	<u>\$ 275,065</u>	<u>\$ 148,646</u>	<u>\$ 2,435</u>	<u>\$ 707,320</u>

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Total</u>
Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 10,453
Grant Draw Downs Reserved for Encumbrances	<u>41,259</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 51,712</u>

D. Capital Assets

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

	Balance, July 1, 2017 (Restated)	<u>Increases</u>	<u>Decreases</u>	Balance, June 30, 2018
Governmental Activities:				
Capital Assets, Being Depreciated:				
Land Improvements	\$ 2,458,309		-	\$ 2,458,309
Buildings	19,692,811	\$ 1,359,422	-	21,052,233
Machinery and Equipment	<u>2,674,175</u>	<u>810,081</u>	-	<u>3,484,256</u>
Total Capital Assets Being Depreciated	<u>24,825,295</u>	<u>2,169,503</u>	-	<u>26,994,798</u>
Less Accumulated Depreciation for:				
Land Improvements	(626,392)	(115,304)	-	(741,696)
Buildings	(17,818,069)	(237,753)	-	(18,055,822)
Machinery and Equipment	<u>(1,732,606)</u>	<u>(449,211)</u>	-	<u>(2,181,817)</u>
Total Accumulated Depreciation	<u>(20,177,067)</u>	<u>(802,268)</u>	-	<u>(20,979,335)</u>
Total Capital Assets, Being Depreciated, Net	<u>4,648,228</u>	<u>1,367,235</u>	-	<u>6,015,463</u>
Governmental Activities Capital Assets, Net	<u>\$ 4,648,228</u>	<u>\$ 1,367,235</u>	<u>\$ -</u>	<u>\$ 6,015,463</u>

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2017</u> (Restated)	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2018</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 561,949	\$ 2,074	-	\$ 564,023
Total Capital Assets Being Depreciated	<u>561,949</u>	<u>2,074</u>	-	<u>564,023</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(375,796)	(10,344)	-	(386,140)
Total Accumulated Depreciation	<u>(375,796)</u>	<u>(10,344)</u>	-	<u>(386,140)</u>
Total Capital Assets, Being Depreciated, Net	<u>186,153</u>	<u>(8,270)</u>	-	<u>177,883</u>
Business-Type Activities Capital Assets, Net	<u>\$ 186,153</u>	<u>\$ (8,270)</u>	<u>\$ -</u>	<u>\$ 177,883</u>

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:

Instruction

Regular	\$ 165,539
School Sponsored Activities and Athletics	<u>14,392</u>

Total Instruction 179,931

Support Services

Student and Instruction Related Services	238,389
General Administrative Services	1,501
Plant Operations and Maintenance	<u>382,447</u>
Total Support Services	<u>622,337</u>

Total Depreciation Expense - Governmental Activities \$ 802,268

Business-Type Activities:

Food Service Fund	<u>\$ 10,344</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 10,344</u>

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects and other significant commitments as of June 30, 2018:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Middle School Renovations and District-Wide Technology Upgrades	\$ 2,543,422	\$ <u>444,709</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2018, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Payroll Agency	\$ 33,116
General Fund	Special Revenue Fund	<u>707,171</u>
		<u>\$ 740,287</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

Interfund transfers

<u>Transfer In:</u>				
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>After Care Enterprise Fund</u>	<u>Total</u>
Transfer Out:				
Special Revenue Fund	\$ 540,024			\$ 540,024
Capital Projects Fund	1,554,027			1,554,027
General Fund	<u>-</u>	<u>\$ 344,820</u>	<u>\$ 548,770</u>	<u>893,590</u>
Total	<u>\$ 2,094,051</u>	<u>\$ 344,820</u>	<u>\$ 548,770</u>	<u>\$ 2,987,641</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases

Operating Leases

The District leases copiers under noncancelable operating leases. Lease payments for the fiscal year ended June 30, 2018 were \$82,372. The future minimum lease payments for these operating leases are as follows:

<u>Fiscal</u> <u>Year Ending June 30</u>	<u>Amount</u>
2019	\$ <u>68,643</u>
Total	\$ <u>68,643</u>

Capital Leases

The District is leasing lighting and lighting equipment and the acquisition of various improvements and renovations and acquisition of equipment totaling \$4,600,000 under capital leases. The leases are for terms of 5 years.

The capital assets acquired through capital leases are as follows:

	<u>Governmental</u> <u>Activities</u>
Buildings	\$ 3,234,741
Machinery and Equipment	<u>793,203</u>
Total	\$ <u>4,027,944</u>

The unexpended proceeds from capital leases in the amount of \$304,235 at June 30, 2018 are held with the Fiscal Agent.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018 were as follows:

<u>Fiscal</u> <u>Year Ending June 30</u>	<u>Governmental</u> <u>Activities</u>
2019	\$ 726,376
2020	802,487
2021	821,744
2022	821,744
2023	<u>358,787</u>
Total minimum lease payments	3,531,138
Less: amount representing interest	<u>(154,861)</u>
Present value of minimum lease payments	\$ <u>3,376,277</u>

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2018 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 597,292,887
Less: Net Debt	<u>-</u>
Remaining Borrowing Power	<u>\$ 597,292,887</u>

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2018, was as follows:

	Balance, <u>July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2018</u>	Due Within <u>One Year</u>
Governmental Activities:					
Lease Purchase Agreements Payable	\$ 2,100,000	\$ 1,700,000	\$ (423,723)	\$ 3,376,277	\$ 675,552
Compensated Absences	3,684,807	228,044	(338,519)	3,574,332	258,267
Net Pension Liability	<u>20,218,218</u>	<u>-</u>	<u>(4,412,510)</u>	<u>15,805,708</u>	<u>-</u>
Governmental activity Long-term liabilities	<u>\$ 26,003,025</u>	<u>\$ 1,928,044</u>	<u>\$ (5,174,752)</u>	<u>\$ 22,756,317</u>	<u>\$ 933,819</u>

For the governmental activities, the liabilities for lease purchase agreements, compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District had previously established a worker's compensation plan for its employees. Effective January 2013, the District elected to participate in an insurance pool rather than remain self insured. However, the District remains liable for the run out of those claims incurred prior to this date. Transactions related to the plan are accounted for in the General Fund.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

Estimate of claims payable and of claims incurred, but not reported (IBNR) at June 30, 2018, is reported as other current liability. These estimates were determined based on claim information supplied by the claims administrator and actuary at the time the plan was terminated. The unpaid claims liability of \$116,162 reported at June 30, 2018 is based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the balances of claims liabilities for the workmen's compensation plan for the fiscal years ended June 30, 2018 and 2017 are as follows:

Governmental Activities:

	Fiscal Year Ended <u>June 30, 2018</u>	Fiscal Year Ended <u>June 30, 2017</u>
Unpaid Claims, Beginning of Year	\$ 234,162	\$ 233,568
Incurred Claims		594
Adjustment to Liability	<u>(118,000)</u>	<u>-</u>
Unpaid Claims, End of Fiscal Year	<u>\$ 116,162</u>	<u>\$ 234,162</u>
	Fiscal Year Ended <u>June 30, 2018</u>	Fiscal Year Ended <u>June 30, 2017</u>
General Fund		
Other Current Liabilities	<u>\$ 116,162</u>	<u>\$ 234,162</u>

The District is a member of the New Jersey School Insurance Group (NJSIG). The Group is a risk sharing public entity pool, established for the purpose of insuring against various types of insurance. The District is also a member of the Pooled Insurance Program of New Jersey, which is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the funds, to report claims on a timely basis, cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which they were a member.

NJSIG and Pooled Insurance Program of New Jersey provide their members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance funds are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2018, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan.

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions.

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

The following represent the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement for his/her respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected, certain appointed officials, and certain Board employees not eligible for enrollment in PERS or TPAF. Effective July 1, 2007 membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits ("Division"), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Amendments

The authority to amend the provisions of the above plans rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Investments are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Funding Status and Funding Progress

As of July 1, 2016, the most recent actuarial valuation date, the aggregate funded ratio for the State administered TPAF and local PERS retirement systems, is 33 percent with an unfunded actuarial accrued liability of \$90.90 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded TPAF system is 25.41 percent and \$67.6 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS is 48.10 percent and \$23.3 billion, respectively.

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2016 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.00 percent and (b) projected salary increases applied through the year 2026 of 1.65-5.15 percent based on age for the PERS and varying percentages based on experience for TPAF.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.34% for PERS, 7.34% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2018.

Annual Pension Costs (APC)

For the fiscal year ended June 30, 2018 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Annual Pension Costs (APC) (Continued)

During the fiscal years ended June 30, 2018, 2017 and 2016 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, was required to contribute for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended June 30,	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2018	\$ 629,008	\$ 2,844,763	\$ 45,720
2017	606,459	2,087,523	14,856
2016	687,385	1,590,779	30,014

In addition for fiscal years 2017/2018 and 2016/2017 the District contributed \$4,422 and \$1,668, respectively for PERS and the State contributed \$5,062 and \$6,598, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,520,922 during the fiscal year ended June 30, 2018 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 85.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the fiscal year ended June 30, 2017. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits (“Division”) administers one cost-sharing multiple employer defined benefit pension plan, separate actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups of the plan.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

To facilitate the separate actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2017 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2017.

At June 30, 2018, the District reported in the statement of net position (accrual basis) a liability of \$15,805,708 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2017, the District's proportionate share was .06790 percent, which was a decrease of .00037 percent from its proportionate share measured as of June 30, 2016 of .06827 percent.

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$875,428 for PERS. The pension contribution made by the District during the current 2017/2018 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2018 with a measurement date of the prior fiscal year end of June 30, 2017. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2018 for contributions made subsequent to the current fiscal year end. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 372,170	
Changes of Assumptions	3,184,306	\$ 3,172,631
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	107,626	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>427,987</u>	<u>1,553,331</u>
Total	<u>\$ 4,092,089</u>	<u>\$ 4,725,962</u>

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

At June 30, 2018, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2019	\$ 112,778
2020	329,566
2021	2,093
2022	(741,019)
2023	(337,291)
Thereafter	<u>-</u>
	<u>\$ (633,873)</u>

Actuarial Assumptions

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

	<u>PERS</u>
Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65-4.15% Based on Age
Thereafter	2.65-5.15% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
US Equities	30.00%	8.19%
Non-US Developed Markets Equity	11.50%	9.00%
Emerging Market Equities	6.50%	11.64%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
Buyouts/Venture Capital	8.25%	13.08%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2018	June 30, 2017	5.00%
2017	June 30, 2016	3.98%

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

Period of Projected Benefit

Payments for which the Following
Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2040
Municipal Bond Rate *	From July 1, 2040 and Thereafter

* The municipal bond return rate used is 3.58% as of the measurement date of June 30, 2017. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 5.00%, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00 percent) or 1-percentage-point higher (6.00 percent) than the current rate:

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>19,608,053</u>	\$ <u>15,805,708</u>	\$ <u>12,637,883</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at June 30, 2017. A sensitivity analysis specific to the District's net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as a non-employer toward the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the fiscal year ended June 30, 2017. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2017, the State's pension contribution was less than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$8,668,480 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2018 the State's proportionate share of the net pension liability attributable to the District is \$125,131,544. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2017. At June 30, 2017, the state's share of the net pension liability attributable to the District was .18559 percent, which was a decrease of .01310 percent from its proportionate share measured as of June 30, 2016 of .19869 percent.

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

	<u>TPAF</u>
Inflation Rate	2.25%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.00%

Assumptions for mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational bases based on a 60-year average of Social Security data from 1953 to 2013.

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

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2018	June 30, 2017	4.25%
2017	June 30, 2016	3.22%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

Period of Projected Benefit

Payments for which the Following Rates were Applied:

Long-Term Expected Rate of Return Through June 30, 2036

Municipal Bond Rate * From July 1, 2036 and Thereafter

* The municipal bond return rate used is 3.58% as of the measurement date of June 30, 2017. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

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

	<u>1% Decrease (3.25%)</u>	<u>Current Discount Rate (4.25%)</u>	<u>1% Increase (5.25%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 148,660,199</u>	<u>\$ 125,131,544</u>	<u>\$ 105,748,535</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2017. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2017 was not provided by the pension system.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

D. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report effective for the fiscal year ended June 30, 2017. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage and prescription drug benefits to qualified retired education participants. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2016:

Active Plan Members	223,747
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	142,331
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u> </u>
Total	<u>366,078</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plans. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Funded Status and Funding Progress

As of July 1, 2016, the most recent actuarial valuation date, the State had a \$69.3 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$25.5 billion for state active and retired members and \$43.8 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The funded status and funding progress of the OPEB includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Funded Status and Funding Progress (Continued)

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2016, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2017, there were 112,966, retirees receiving post-retirement medical benefits and the State contributed \$1.39 billion on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (ABP) who retired from a board of education or county college with 25 years of service. The State paid \$238.9 million toward Chapter 126 benefits for 20,913 eligible retired members in Fiscal Year 2017.

The State sets the contribution rate based on a pay as you go basis and not on the actuarially determined contribution amount. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2018, 2017 and 2016 were \$1,837,371, \$1,739,381 and \$1,894,180, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions. The nonemployer allocation percentages presented are based on the ratio of the State’s contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the fiscal year ended June 30, 2017. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District’s proportionate share percentage determined under Statement No. 75 is zero percent and the State’s proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$6,090,377. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2018 the State’s proportionate share of the OPEB liability attributable to the District is \$117,481,672. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2017 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2017. At June 30, 2017, the state’s share of the OPEB liability attributable to the District was .21902 percent, which was a decrease of .00216 percent from its proportionate share measured as of June 30, 2016 of .22118 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases *	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 4.55%
Rate Thereafter	2.00% to 5.45%
Mortality	RP-2014 Headcount-Weighted Healthy Employee, Healthy Annuitant and Disabled Male/Female Mortality Table with Fully Generational Mortality Improvement Projections from the Central Year Using Scale MP-2017
Long-Term Rate of Return	1.00%

*Salary increases are based on the defined benefit plan that the individual is enrolled in and his or her year of service for TPAF or his or her age for PERS.

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

Healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5 percent. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5 percent and decreases to a 5.0 percent long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium. The Medicare Advantage trend rate is 4.5 percent and will continue in all future years.

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

Long-Term Expected Rate of Return

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 1.00% as of June 30, 2017.

Discount Rate

The discount rate used to measure the total OPEB liabilities of the plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2018	June 30, 2017	3.58%
2017	June 30, 2016	2.85%

The discount rate represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2018 (measurement date June 30, 2017) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2016 Measurement Date	\$ <u>127,914,700</u>
Changes Recognized for the Fiscal Year:	
Service Cost	\$ 3,958,424
Interest on the Total OPEB Liability	3,758,895
Changes of Assumptions	(15,521,029)
Gross Benefit Payments	(2,729,837)
Contributions from the Member	<u>100,519</u>
Net Changes	\$ <u>(10,433,028)</u>
Balance, June 30, 2017 Measurement Date	<u>\$ 117,481,672</u>

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

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2017. A change in the total OPEB liability specific to the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2017 was not provided by the pension system.

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.58%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58 percent) or 1-percentage-point higher (4.58 percent) than the current rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>139,459,221</u>	\$ <u>117,481,672</u>	\$ <u>100,048,872</u>

**HOBOKEN BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1%</u> <u>Decrease</u>	<u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u>	<u>1%</u> <u>Increase</u>
Total OPEB Liability (School Retirees)	\$ <u>96,617,318</u>	\$ <u>117,481,672</u>	\$ <u>145,189,288</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2017. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2017 were not provided by the pension system.

NOTE 5 SUBSEQUENT EVENTS

On July 24, 2018, the Board approved the withdrawal of \$527,524 from the emergency reserve to offset the reduction of \$527,524 in the 2018/2019 State Aid as a result of the final fiscal year 2019 State Budget.

On July 24, 2018, the Board approved a lease purchase agreement for the acquisition of LED boards and Chromebooks in the amount of \$575,000. The term of the lease is for five years at an annual interest rate of 3.198%. The first principal payment of \$200,000 was due on August 15, 2018.

On August 21, 2018, the Board approved the withdrawal of \$497,200 and \$658,000 from the maintenance reserve and capital reserve, respectively to fund maintenance and capital renovation work to meet the state approved facility needs of the District not included in the 2018/19 adopted budget.

NOTE 6 RESTATEMENT

The District conducted an update and appraisal of its capital assets inventory during the 2017/18 fiscal year. The District has restated its July 1, 2017 capital asset values as well as the accumulated depreciation amount to reflect the amounts reported in the updated inventory. The net effect of this restatement adjustment was a decrease to governmental activities net position of \$7,932,575 and an increase to business-type activities net position of \$89,155.

REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULES

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 43,857,211		\$ 43,857,211	\$ 43,857,211	
Tuition- Other LEAs	64,179		64,179	137,414	\$ 73,235
Transportation Fees from Other LEAs	28,316		28,316	23,280	(5,036)
Rentals	550,824		550,824	515,350	(35,474)
Interest on Investments	-		-	41,250	41,250
Interest on Investments- Maintenance Reserve	2,700		2,700	2,700	
Interest on Investments- Capital Reserve	6,400		6,400	6,400	
Unrestricted Miscellaneous Revenues	239,656	\$ (23,338)	216,318	438,226	221,908
Total Local Sources	<u>44,749,286</u>	<u>(23,338)</u>	<u>44,725,948</u>	<u>45,021,831</u>	<u>295,883</u>
State Sources					
Public Schools Choice Aid	2,645,874	-	2,645,874	2,645,874	-
Transportation Aid	124,453	-	124,453	124,453	-
Special Education Aid	1,492,059	-	1,492,059	1,492,059	-
Security Aid	727,825	-	727,825	727,825	-
Adjustment Aid	5,617,129	(213,650)	5,403,479	5,403,479	-
Additional Adjustment Aid	-	-	-	-	-
Extraordinary Aid	101,516	-	101,516	270,204	168,688
Professional Learning Community Aid	25,960	-	25,960	25,960	-
PARCC Readiness Aid	24,610	-	24,610	24,610	-
Per Pupil Growth Aid	24,610	-	24,610	24,610	-
Lead Testing for Schools Aid	-	-	-	7,900	7,900
On Behalf TPAF Pension System Contrib.(Normal & Accrued Liab.)	-	-	-	2,777,363	2,777,363
On Behalf TPAF Pension System Contrib.(NCGI)	-	-	-	67,400	67,400
On Behalf TPAF Pension System Contrib.(LTDI)	-	-	-	5,062	5,062
On-Behalf Post Retirement Medical Benefit Contr	-	-	-	1,837,371	1,837,371
Reimbursed TPAF Social Security Contribution (Non Budgeted)	-	-	-	1,520,922	1,520,922
Total State Sources	<u>10,784,036</u>	<u>(213,650)</u>	<u>10,570,386</u>	<u>16,955,092</u>	<u>6,384,706</u>
Federal Sources					
Impact Aid	139,275	-	139,275	46,809	(92,466)
Medicaid Reimbursement	64,561	-	64,561	85,801	21,240
Total Federal Sources	<u>203,836</u>	<u>-</u>	<u>203,836</u>	<u>132,610</u>	<u>(71,226)</u>
Total Revenues	<u>55,737,158</u>	<u>(236,988)</u>	<u>55,500,170</u>	<u>62,109,533</u>	<u>6,609,363</u>
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	1,312,519	364,589	1,677,108	1,668,948	8,160
Grades 1-5	5,680,815	168,937	5,849,752	5,826,941	22,811
Grades 6-8	2,322,014	(177,117)	2,144,897	2,132,589	12,308
Grades 9-12	3,504,515	(243,438)	3,261,077	3,258,589	2,488
Home Instruction					
Salaries of Teachers	22,000	63,929	85,929	85,929	-
Purchased Professional Educational Services	15,000	4,450	19,450	19,449	1
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	215,562	52,732	268,294	281,843	(13,549)
Purchased Professional Educational Services	21,310	6,803	28,113	27,775	338
Purchased Technical Services	241,971	(13,377)	228,594	199,039	29,555
Other Purchased Services	1,460	(1,311)	149	149	-
General Supplies	877,706	1,294	879,000	801,530	77,470
Textbooks	142,720	(10,861)	131,859	57,741	74,118
Other Objects	46,125	(25,196)	20,929	13,273	7,656
Total Regular Programs	<u>14,403,717</u>	<u>191,434</u>	<u>14,595,151</u>	<u>14,373,795</u>	<u>221,356</u>

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Special Education					
Cognitive - Moderate					
Other Purchased Services	\$ 800	\$ (800)	-	-	-
General Supplies	2,000	(1,770)	\$ 230	\$ 230	-
Total Cognitive - Moderate	<u>2,800</u>	<u>(2,570)</u>	<u>230</u>	<u>230</u>	<u>-</u>
Learning and/or Language Disabilities					
Salaries of Teachers	170,717	140	170,857	170,857	-
Other Purchased Services	350	(350)	-	-	-
General Supplies	1,000	(108)	892	892	-
Total Learning and/or Language Disabilities	<u>172,067</u>	<u>(318)</u>	<u>171,749</u>	<u>171,749</u>	<u>-</u>
Multiple Disabilities					
Salaries of Teachers	594,794	561	595,355	595,355	-
Other Salaries for Instruction	57,989	40	58,029	58,029	-
Purchased Professional/Educational Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
General Supplies	2,000	24	2,024	2,024	-
Other Objects	-	-	-	-	-
Total Multiple Disabilities	<u>654,783</u>	<u>625</u>	<u>655,408</u>	<u>655,408</u>	<u>-</u>
Resource Room					
Salaries of Teachers	1,969,710	(10,934)	1,958,776	1,958,706	\$ 70
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional/Educational Services	-	-	-	-	-
Purchased Technical Services	850	(850)	-	-	-
Other Purchased Services	-	-	-	-	-
General Supplies	5,300	(3,588)	1,712	1,712	-
Total Resource Room	<u>1,975,860</u>	<u>(15,372)</u>	<u>1,960,488</u>	<u>1,960,418</u>	<u>70</u>
Preschool Disabilities- Full Time					
Other Salaries for Instruction	488,471	(45,251)	443,220	443,220	-
Purchased Professional-Educational Services	20,400	-	20,400	17,696	2,704
Other Purchased Services	1,000	(1,000)	-	-	-
General Supplies	10,000	(4,124)	5,876	5,845	31
Total Preschool Disabilities - Full Time	<u>519,871</u>	<u>(50,375)</u>	<u>469,496</u>	<u>466,761</u>	<u>2,735</u>
Home Instruction					
Salaries of Teachers	20,000	19,493	39,493	39,493	-
Purchased Professional/Educational Services	50,000	(9,583)	40,417	30,111	10,306
Total Home Instruction	<u>70,000</u>	<u>9,910</u>	<u>79,910</u>	<u>69,604</u>	<u>10,306</u>
Total Special Education	<u>3,395,381</u>	<u>(58,100)</u>	<u>3,337,281</u>	<u>3,324,170</u>	<u>13,111</u>
School Sponsored Cocurricular Activities					
Salaries	395,436	167,536	562,972	476,008	86,964
Other Purchased Services	36,269	3,566	39,835	38,461	1,374
Supplies and Materials	93,989	(20,374)	73,615	66,913	6,702
Other Objects	37,800	11,326	49,126	48,951	175
Total School Sponsored Cocurricular Activities	<u>563,494</u>	<u>162,054</u>	<u>725,548</u>	<u>630,333</u>	<u>95,215</u>

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
School Sponsored Athletics					
Salaries	\$ 500,114	\$ 12,072	\$ 512,186	\$ 472,185	\$ 40,001
Other Purchased Services	131,467	(562)	130,905	78,956	51,949
Supplies and Materials	136,776	(9,372)	127,404	127,400	4
Other Objects	9,755	(2,506)	7,249	7,249	-
Total Athletics	<u>778,112</u>	<u>(368)</u>	<u>777,744</u>	<u>685,790</u>	<u>91,954</u>
Summer School					
Salaries of Teachers	99,807	110,382	210,189	207,392	2,797
Other Salaries for Instruction	50,000	(25,925)	24,075	24,075	-
Salaries of Teacher Tutors	-	-	-	-	-
General Supplies	5,000	(323)	4,677	2,900	1,777
Other Objects	-	-	-	-	-
Total Summer School	<u>154,807</u>	<u>84,134</u>	<u>238,941</u>	<u>234,367</u>	<u>4,574</u>
Total - Instruction	<u>19,295,511</u>	<u>379,154</u>	<u>19,674,665</u>	<u>19,248,455</u>	<u>426,210</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State- Regular	10,000	(10,000)	-	-	-
Tuition to Other LEAs Within the State- Special	263,853	(9,300)	254,553	254,283	270
Tuition to County Special Services - School Districts & Regional Day Schools	243,687	(31,612)	212,075	211,575	500
Tuition to Private Schools for the Disabled Within the State	1,202,461	490,033	1,692,494	1,690,602	1,892
Tuition - State Facilities	-	-	-	-	-
Tuition - Other	-	-	-	-	-
Total Undistributed Expenditures - Instruction	<u>1,720,001</u>	<u>439,121</u>	<u>2,159,122</u>	<u>2,156,460</u>	<u>2,662</u>
Attendance and Social Work Services					
Salaries	432,627	(23,415)	409,212	404,215	4,997
Salaries of Drop-Out Prevention Officer/Coordinator	-	-	-	-	-
Other Purchased Services	54,060	(2,369)	51,691	51,691	-
Supplies and Materials	1,015	(1,015)	-	-	-
Total Attendance and Social Work Services	<u>487,702</u>	<u>(26,799)</u>	<u>460,903</u>	<u>455,906</u>	<u>4,997</u>
Health Services					
Salaries	372,540	42,196	414,736	414,585	151
Purchased Professional & Technical Services	41,408	(9,184)	32,224	24,325	7,899
Other Purchased Services	100	(68)	32	32	-
Supplies and Materials	18,943	(4,899)	14,044	14,040	4
Other Objects	-	-	-	-	-
Total Health Services	<u>432,991</u>	<u>28,045</u>	<u>461,036</u>	<u>452,982</u>	<u>8,054</u>
Speech, OT, PT & Related Services					
Salaries	459,820	(12,993)	446,827	446,827	-
Purchased Professional/Educational Services	492,000	49,241	541,241	519,906	21,335
Supplies and Materials	10,700	(5,331)	5,369	5,369	-
Total Speech, OT, PT & Related Services	<u>962,520</u>	<u>30,917</u>	<u>993,437</u>	<u>972,102</u>	<u>21,335</u>
Other Supp. Serv. Students-Extra Serv.					
Salaries	1,165,209	(56,150)	1,109,059	1,181,397	(72,338)
Purchased Professional-Educational Services	-	4,077	4,077	3,805	272
Supplies and Materials	-	-	-	-	-
Total Other Supp. Serv. Students-Extra. Serv.	<u>1,165,209</u>	<u>(52,073)</u>	<u>1,113,136</u>	<u>1,185,202</u>	<u>(72,066)</u>

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 531,284	\$ (9,868)	\$ 521,416	\$ 521,416	-
Salaries of Secretarial and Clerical Assistants	61,745	(5)	61,740	60,844	\$ 896
Purchased Professional - Educational Services	3,000	1,091	4,091	4,091	-
Supplies and Materials	9,000	(4,408)	4,592	4,592	-
Other Objects	60,075	(20,598)	39,477	39,477	-
Total Guidance	<u>665,104</u>	<u>(33,788)</u>	<u>631,316</u>	<u>630,420</u>	<u>896</u>
Child Study Teams					
Salaries of Other Professional Staff	1,342,165	(200,969)	1,141,196	1,141,196	-
Salaries of Secretarial and Clerical Assist.	59,895	50,580	110,475	63,379	47,096
Purchased Professional Educational Svcs.	35,000	(13,158)	21,842	21,842	-
Other Purchased Prof. and Tech. Services	30,000	8,773	38,773	38,773	-
Other Purchased Services	15,000	(11,500)	3,500	3,500	-
Residential Costs	-	-	-	-	-
Supplies and Materials	33,557	(13,898)	19,659	19,595	64
Other Objects	1,000	(1,000)	-	-	-
Total Child Study Teams	<u>1,516,617</u>	<u>(181,172)</u>	<u>1,335,445</u>	<u>1,288,285</u>	<u>47,160</u>
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	283,504	15,029	298,533	246,533	52,000
Salaries of Other Professional Staff	125,079	(76,053)	49,026	47,781	1,245
Salaries of Secretarial and Clerical Assist.	68,482	2,076	70,558	68,110	2,448
Other Salaries	45,166	-	45,166	-	45,166
Salaries of Facilitators, Math & Literacy Coaches	-	-	-	-	-
Other Purchased Services	1,000	3,218	4,218	4,218	-
Purchased Professional Educational Svcs.	13,600	19,412	33,012	32,512	500
Other Purchased Prof & Tech Services	-	-	-	-	-
Supplies & Materials	8,950	(3,500)	5,450	3,491	1,959
Other Objects	200	-	200	-	200
Total Improvement of Instructional Services	<u>545,981</u>	<u>(39,818)</u>	<u>506,163</u>	<u>402,645</u>	<u>103,518</u>
Educational Media Services/School Library					
Salaries	557,864	(62,330)	495,534	491,426	4,108
Purchased Professional and Technical Services	64,868	(22,308)	42,560	39,986	2,574
Other Purchased Services	103,780	(79,735)	24,045	24,000	45
Supplies and Materials	68,324	(4,982)	63,342	58,383	4,959
Other Objects	1,300	(1,205)	95	95	-
Total Educational Media Services/School Library	<u>796,136</u>	<u>(170,560)</u>	<u>625,576</u>	<u>613,890</u>	<u>11,686</u>
Instructional Staff Training Services					
Salaries of Secretarial and Clerical Assist.	6,000	373	6,373	6,373	-
Purchased Professional Educational Svcs.	3,000	800	3,800	3,800	-
Other Purchased Prof. and Tech. Services	29,540	(165)	29,375	24,838	4,537
Other Purchased Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Instructional Staff Training Services	<u>38,540</u>	<u>1,008</u>	<u>39,548</u>	<u>35,011</u>	<u>4,537</u>

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
Support Services General Administration					
Salaries	\$ 280,280	\$ 15,769	\$ 296,049	\$ 296,049	
General Admin Salaries- Governance Staff					
Legal Services	150,000	42,256	192,256	99,411	\$ 92,845
Audit Fees	82,000	33,000	115,000	72,935	42,065
Architectural/Engineering Fees	44,370	60,622	104,992	49,297	55,695
Other Purchased Professional Services	20,500	995	21,495	17,495	4,000
Purchased Technical Services					
Communications/Telephone	145,355	(79,485)	65,870	56,397	9,473
BOE Other Purchased Services	4,500	-	4,500	4,360	140
Misc. Purchased Services	213,168	(33,121)	180,047	171,662	8,385
General Supplies	12,500	10,926	23,426	21,798	1,628
BOE In-House Training/Meeting Supplies	100	(100)	-	-	-
Judgements Against the School District	-	-	-	-	-
Miscellaneous Expenditures	10,606	(147)	10,459	6,039	4,420
BOE Membership Dues and Fees	27,911	23	27,934	27,934	-
Total Support Services General Administration	<u>991,290</u>	<u>50,738</u>	<u>1,042,028</u>	<u>823,377</u>	<u>218,651</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals	1,134,066	(59,580)	1,074,486	1,074,486	-
Salaries of Other Professional Staff	46,168	(40,168)	6,000	6,000	-
Salaries of Secretarial and Clerical Assistants	265,677	118,128	383,805	383,243	562
Purchased Professional & Technical Svcs.	-	-	-	-	-
Other Purchased Services	920	(920)	-	-	-
Supplies and Materials	124,504	4,948	129,452	125,042	4,410
Other Objects	7,500	(1,173)	6,327	6,292	35
Total Support Services School Administration	<u>1,578,835</u>	<u>21,235</u>	<u>1,600,070</u>	<u>1,595,063</u>	<u>5,007</u>
Support Services Central Services					
Salaries	527,172	28,284	555,456	552,641	2,815
Purchased Professional Services	96,468	14,341	110,809	103,527	7,282
Purchased Technical Services	9,352	1,894	11,246	11,246	-
Misc. Purch. Services	11,750	1,365	13,115	11,171	1,944
Sale/Lease-Back Payments	-	-	-	-	-
Supplies and Materials	23,950	(511)	23,439	23,197	242
Interest on Lease Purchase Agreements	30,054	511	30,565	30,565	-
Misc. Expenditures	3,559	(100)	3,459	1,500	1,959
Total Support Services Central Services	<u>702,305</u>	<u>45,784</u>	<u>748,089</u>	<u>733,847</u>	<u>14,242</u>
Admin. Info. Tech.					
Salaries	62,965	25,850	88,815	88,815	-
Purchased Professional Services	8,434	-	8,434	1,145	7,289
Purchased Technical Services	15,000	(10,000)	5,000	4,587	413
Other Purchased Services	10,000	(5,154)	4,846	3,090	1,756
Supplies and Materials	10,500	-	10,500	10,255	245
Total Admin. Info Tech.	<u>106,899</u>	<u>10,696</u>	<u>117,595</u>	<u>107,892</u>	<u>9,703</u>
Required Maintenance For School Facilities					
Salaries	823,113	7,689	830,802	779,340	51,462
Unused Vacation Payment to Terminated Staff	-	-	-	-	-
Cleaning, Repair, and Maintenance Services	617,286	55,510	672,796	574,882	97,914
General Supplies	81,120	(17,950)	63,170	59,213	3,957
Total Required Maintenance For School Facilities	<u>1,521,519</u>	<u>45,249</u>	<u>1,566,768</u>	<u>1,413,435</u>	<u>153,333</u>

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Salaries	\$ 1,123,394	\$ 432,417	\$ 1,555,811	\$ 1,608,862	\$ (53,051)
Salaries of Non-Instructional Aides	9,662	(8,486)	1,176	1,176	-
Cleaning, Repair, and Maintenance Services	241,767	(50,812)	190,955	171,889	19,066
Other Purchased Property	122,890	10,751	133,641	184,349	(50,708)
Insurance	210,157	(37,447)	172,710	172,710	-
Miscellaneous Purchased Services	153,072	(50,777)	102,295	102,295	-
General Supplies	201,122	9,280	210,402	202,302	8,100
Energy (Heat and Electricity)	741,857	(155,861)	585,996	510,610	75,386
Energy (Natural Gas)	278,717	30,711	309,428	224,907	84,521
Other Objects	6,426	(5,133)	1,293	-	1,293
Total Custodial Services	<u>3,089,064</u>	<u>174,643</u>	<u>3,263,707</u>	<u>3,179,100</u>	<u>84,607</u>
Care & Upkeep of Grounds					
Salaries	119,035	-	119,035	111,785	7,250
Cleaning, Repair, and Maintenance Services	-	5,653	5,653	5,653	-
General Supplies	-	-	-	-	-
Total Care & Upkeep of Grounds	<u>119,035</u>	<u>5,653</u>	<u>124,688</u>	<u>117,438</u>	<u>7,250</u>
Security					
Salaries	337,801	104,508	442,309	445,458	(3,149)
Cleaning, Repair, and Maintenance Services	-	-	-	-	-
General Supplies	7,115	3,531	10,646	10,645	1
Total Security	<u>344,916</u>	<u>108,039</u>	<u>452,955</u>	<u>456,103</u>	<u>(3,148)</u>
Student Transportation Services					
Salaries of Non-Instructional Aides	46,109	-	46,109	45,475	634
Salaries for Pupil Transportation (Between Home and School) - Regular	-	-	-	-	-
Salaries for Pupil Transportation (Between Home and School) - Spec Ed	65,184	6,531	71,715	71,715	-
Salaries for Pupil Transportation (Other Than Between Home and School)	-	300	300	227	73
Contracted Services (Other than Btw Home and School)- Vendors	45,312	19,824	65,136	60,645	4,491
Other Purchased Professional & Technical Svces	78,030	(6,300)	71,730	70,800	930
Cleaning Repair & Maintenance Services	17,325	2,000	19,325	17,521	1,804
Contracted Services (Oth. Than Bet Home & Sch)- Vend	98,010	500	98,510	97,913	597
Contracted Services (Spec Ed Students) Vendors	961,199	472,261	1,433,460	1,409,086	24,374
Contracted Services (Spec Ed Students) Joint Agreements	76,000	(74,077)	1,923	-	1,923
Misc. Purchased Services - Transportation	600	-	600	448	152
General Supplies	4,000	(780)	3,220	1,297	1,923
Transportation Supplies	11,000	-	11,000	5,500	5,500
Other Objects	-	-	-	-	-
Total Student Transportation Services	<u>1,402,769</u>	<u>420,259</u>	<u>1,823,028</u>	<u>1,780,627</u>	<u>42,401</u>
Unallocated Benefits - Employee Benefits					
Social Security Contributions	904,269	(113,912)	790,357	790,034	323
Other Retirement Contributions-PERS	646,554	(13,124)	633,430	633,429	1
Other Retirement Contributions-DCRP	18,000	29,499	47,499	45,720	1,779
Unemployment Compensation	241,966	(116,633)	125,333	84,058	41,275
Workers Compensation	504,044	(31,255)	472,789	421,532	51,257
Health Benefits	5,375,257	304,189	5,679,446	5,679,176	270
Unused Sick Payments to Terminated Employees	315,072	42,127	357,199	338,519	18,680
Tuition Reimbursement	80,000	2,574	82,574	82,574	-
Other Employee Benefits	191,827	(9,627)	182,200	106,625	75,575
Total Unallocated Benefits	<u>8,276,989</u>	<u>93,838</u>	<u>8,370,827</u>	<u>8,181,667</u>	<u>189,160</u>

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES (Continued)					
On Behalf TPAF System Pension Contrib. (Non Budget)					
Normal Cost & Accrued Liability				\$ 2,777,363	\$ (2,777,363)
NCGI	-	-	-	67,400	(67,400)
Long-Term Disability Insurance				5,062	(5,062)
Post Retirement Medical Benefit Contribution				1,837,371	(1,837,371)
On Behalf TPAF Social Security Contribution (Non Budgeted)	-	-	-	1,520,922	(1,520,922)
Total Undistributed Expenditures	<u>\$ 26,464,422</u>	<u>\$ 971,015</u>	<u>\$ 27,435,437</u>	<u>32,789,570</u>	<u>(5,354,133)</u>
Interest Earned on Maintenance Reserve	2,700	-	2,700	-	2,700
Total Expenditures - Current Expense	<u>45,762,633</u>	<u>1,350,169</u>	<u>47,112,802</u>	<u>52,038,025</u>	<u>(4,925,223)</u>
CAPITAL OUTLAY					
Equipment					
Grades 1-5					
Grades 6-8					
Grades 9-12					
Undistributed Expenditures					
Instructional Staff					
School Sponsored & Other Instruction					
School Admin					
Admin Info Technology	50,000	(8,485)	41,515	2,978	38,537
Operations and Maintenance of Plant Services		3,485	3,485	3,485	-
Security	-	-	-	-	-
School Buses-Special	-	-	-	-	-
Non-Instructional	-	-	-	-	-
Total Equipment	<u>50,000</u>	<u>(5,000)</u>	<u>45,000</u>	<u>6,463</u>	<u>38,537</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Svcs.	18,471	(18,471)	-	-	-
Other Purchased Prof and Techn. Services	-	-	-	-	-
Construction Services	189,365	172,851	362,216	270,266	91,950
Supplies and Materials	6,624	(6,624)	-	-	-
Land Improvements	-	-	-	-	-
Lease Purchase Agreements- Principal	316,428	-	316,428	316,232	196
Other Objects	-	-	-	-	-
Total Facilities Acquis. and Const. Services	<u>530,888</u>	<u>147,756</u>	<u>678,644</u>	<u>586,498</u>	<u>92,146</u>
Interest Deposit to Capital Reserve	6,400	-	6,400	-	6,400
Total Capital Outlay	<u>587,288</u>	<u>142,756</u>	<u>730,044</u>	<u>592,961</u>	<u>137,083</u>
CHARTER SCHOOLS					
Transfer of Funds to Charter Schools	<u>10,155,500</u>	<u>(1,045,622)</u>	<u>9,109,878</u>	<u>9,095,778</u>	<u>14,100</u>
Total Transfer of Funds to Charter Schools	<u>10,155,500</u>	<u>(1,045,622)</u>	<u>9,109,878</u>	<u>9,095,778</u>	<u>14,100</u>
Total Expenditures - General Fund	<u>56,505,421</u>	<u>447,303</u>	<u>56,952,724</u>	<u>61,726,764</u>	<u>(4,774,040)</u>

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (768,263)	\$ (684,291)	\$ (1,452,554)	\$ 382,769	\$ 1,835,323
Other Financing Sources(Uses)					
Transfers In-SBB-General Fund	25,686,114	(13,654)	25,672,460	25,380,659	(291,801)
Transfer In- SBB- Special Revenue Fund	523,802	23,338	547,140	540,024	(7,116)
Transfers Out- Special Revenue Fund	(344,820)	-	(344,820)	(344,820)	-
Transfer Out- Food Service Fund	(50,000)	(50,000)	(100,000)	-	100,000
Transfers Out- After Care Program Fund	-	(4,820)	(4,820)	(548,770)	(543,950)
Transfer In- Return of Capital Reserve from Capital Projects Fund	-	-	-	1,511,869	1,511,869
Transfer In- Prior Year Debt Service Returned From Capital Projects Fund	-	-	-	42,158	42,158
Transfers Out-SBB	(25,686,114)	13,653	(25,672,461)	(25,380,659)	291,802
Total Other Financing Sources(Uses)	<u>128,982</u>	<u>(31,483)</u>	<u>97,499</u>	<u>1,200,461</u>	<u>1,102,962</u>
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(639,281)	(715,774)	(1,355,055)	1,583,230	2,938,285
Fund Balances, Beginning of Year	<u>6,810,266</u>	<u>-</u>	<u>6,810,266</u>	<u>6,810,266</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 6,170,985</u>	<u>\$ (715,774)</u>	<u>\$ 5,455,211</u>	<u>\$ 8,393,496</u>	<u>\$ 2,938,285</u>
Recapitulation:					
Restricted					
Capital Reserve				\$ 3,120,070	
Maintenance Reserve				1,110,333	
Emergency Reserve				563,764	
Excess Surplus				1,167,222	
Excess Surplus Designated for Subsequent Year's Expenditures (2018/19 Budget)				878,971	
Assigned					
Year End Encumbrances				231,170	
Unassigned				<u>1,321,966</u>	
				8,393,496	
Reconciliation to Governmental Fund Statements (GAAP):					
Less: State Aid Payments Not Recognized on a GAAP Basis				<u>(1,309,836)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 7,083,660</u>	

HOBOKEN BOARD OF EDUCATION
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Original Budget			Adjustments			Final Budget			Actual		
	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Actual Blended Resource Fund 15	Total General Fund
REVENUES												
Local Sources												
Local Tax Levy	\$ 43,857,211		\$ 43,857,211	-		-	\$ 43,857,211		\$ 43,857,211	\$ 43,857,211		\$ 43,857,211
Tuition - Other LEAs	64,179		64,179	-		-	64,179		64,179	137,414		137,414
Transportation Fees from Other LEAs	28,316		28,316	-		-	28,316		28,316	23,280		23,280
Rentals	550,824		550,824	-		-	550,824		550,824	515,350		515,350
Interest on Investments	-		-	-		-	-		-	41,250		41,250
Interest on Maintenance Reserve	2,700		2,700	-		-	2,700		2,700	2,700		2,700
Interest on Capital Reserve Funds	6,400		6,400	-		-	6,400		6,400	6,400		6,400
Unrestricted Miscellaneous Revenues	239,656		239,656	\$ (23,338)		\$ (23,338)	216,318		216,318	438,226		438,226
Total Local Sources	44,749,286	-	44,749,286	(23,338)	-	(23,338)	44,725,948	-	44,725,948	45,021,831	-	45,021,831
State Sources												
School Choice Aid	2,645,874		2,645,874	-		-	2,645,874		2,645,874	2,645,874		2,645,874
Transportation Aid	124,453		124,453	-		-	124,453		124,453	124,453		124,453
Special Education Aid	1,492,059		1,492,059	-		-	1,492,059		1,492,059	1,492,059		1,492,059
Security Aid	727,825		727,825	-		-	727,825		727,825	727,825		727,825
Adjustment Aid	5,617,129		5,617,129	(213,650)		(213,650)	5,403,479		5,403,479	5,403,479		5,403,479
Additional Adjustment Aid	-		-	-		-	-		-	-		-
Extraordinary Aid	101,516		101,516	-		-	101,516		101,516	270,204		270,204
Professional Learning Community Aid	25,960		25,960	-		-	25,960		25,960	25,960		25,960
PARCC Readiness Aid	24,610		24,610	-		-	24,610		24,610	24,610		24,610
Per Pupil Growth Aid	24,610		24,610	-		-	24,610		24,610	24,610		24,610
Lead Testing for School Aid	-		-	-		-	-		-	7,900		7,900
On Behalf TPAF Pension Contrib. (Non Budgeted)	-		-	-		-	-		-	-		-
Normal Costs & Accrued Liability	-		-	-		-	-		-	2,777,363		2,777,363
Non-contributory Insurance	-		-	-		-	-		-	67,400		67,400
Long-Term Disability Insurance	-		-	-		-	-		-	5,062		5,062
Post - Retirement Medical Contributions	-		-	-		-	-		-	1,837,371		1,837,371
Reimbursed TPAF Social Security Contribution (Non Budgeted)	-		-	-		-	-		-	1,520,922		1,520,922
Total State Sources	10,784,036	-	10,784,036	(213,650)	-	(213,650)	10,570,386	-	10,570,386	16,955,092	-	16,955,092
Federal Sources												
Impact Aid	139,275		139,275	-		-	139,275		139,275	46,809		46,809
Medicaid Reimbursement	64,561		64,561	-		-	64,561		64,561	85,801		85,801
Medicaid Reimbursement- ARRA	-		-	-		-	-		-	-		-
Total Federal Sources	203,836	-	203,836	-	-	-	203,836	-	203,836	132,610	-	132,610
Total Revenues	55,737,158	-	55,737,158	(236,988)	-	(236,988)	55,500,170	-	55,500,170	62,109,533	-	62,109,533
EXPENDITURES												
CURRENT EXPENDITURES												
Instruction - Regular Programs												
Salaries of Teachers												
Kindergarten	33,160	\$ 1,279,359	1,312,519	8,937	\$ 355,652	364,589	42,097	\$ 1,635,011	1,677,108	33,937	\$ 1,635,011	1,668,948
Grades 1-5	594,088	5,086,727	5,680,815	(91,605)	260,542	168,937	502,483	5,347,269	5,849,752	479,672	5,347,269	5,826,941
Grades 6-8	22,282	2,299,732	2,322,014	21,654	(198,771)	(177,117)	43,936	2,100,961	2,144,897	37,254	2,095,335	2,132,589
Grades 9-12	75,000	3,429,515	3,504,515	39,263	(282,701)	(243,438)	114,263	3,146,814	3,261,077	114,263	3,144,326	3,258,589
Home Instruction												
Salaries of Teachers	22,000		22,000	63,929		63,929	85,929		85,929	85,929		85,929
Purchased Professional Educational Services	15,000		15,000	4,450		4,450	19,450		19,450	19,449		19,449
Regular Programs - Undistributed Instruction												
Other Salaries for Instruction	215,562		215,562	52,732		52,732	268,294		268,294	281,843		281,843
Purchased Professional Educational Services	19,530	1,780	21,310	292	6,511	6,803	19,822	8,291	28,113	19,774	8,001	27,775
Purchased Technical Services	241,720	251	241,971	(13,126)	(251)	(13,377)	228,594		228,594	199,039		199,039
Other Purchased Services		1,460	1,460		(1,311)	(1,311)		149	149		149	149
General Supplies	22,000	855,706	877,706	101,704	(100,410)	1,294	123,704	755,296	879,000	123,704	677,826	801,530
Textbooks	78,803	63,917	142,720	5,795	(16,656)	(10,861)	84,598	47,261	131,859	12,472	45,269	57,741
Other Objects	29,305	16,820	46,125	(26,068)	872	(25,196)	3,237	17,692	20,929	2,511	10,762	13,273
Total Regular Programs	1,368,450	13,035,267	14,403,717	167,957	23,477	191,434	1,536,407	13,058,744	14,595,151	1,409,847	12,963,948	14,373,795

HOBOKEN BOARD OF EDUCATION
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budget			Adjustments			Final Budget			Actual		
	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Actual Blended Resource Fund 15	Total General Fund
EXPENDITURES												
CURRENT EXPENDITURES (Continued)												
Special Education												
Cognitive - Moderate												
Salaries of Teachers												
Other Salaries for Instruction												
Purchased Professional Educational Services		\$ 800	\$ 800		\$ (800)	\$ (800)		-	-		-	-
Other Purchased Services		2,000	2,000		(1,770)	(1,770)		\$ 230	\$ 230		\$ 230	\$ 230
General Supplies		-	-		-	-		-	-		-	-
Total Cognitive Moderate		2,800	2,800		(2,570)	(2,570)		230	230		230	230
Learning and/or Language Disabilities												
Salaries of Teachers		170,717	170,717		140	140		\$ 170,857	\$ 170,857		\$ 170,857	\$ 170,857
Other Purchased Services		350	350		(350)	(350)		-	-		-	-
General Supplies		1,000	1,000		(108)	(108)		892	892		892	892
Total Learning and/or Language Disabilities		172,067	172,067		(318)	(318)		171,749	171,749		171,749	171,749
Multiple Disabilities												
Salaries of Teachers		594,794	594,794		561	561		595,355	595,355		595,355	595,355
Other Salaries for Instruction		57,989	57,989		40	40		58,029	58,029		58,029	58,029
Purchased Professional Educational Services		-	-		-	-		-	-		-	-
Other Purchased Services		-	-		-	-		-	-		-	-
General Supplies		2,000	2,000		24	24		2,024	2,024		2,024	2,024
Other Objects		-	-		-	-		-	-		-	-
Total Multiple Disabilities		654,783	654,783		625	625		655,408	655,408		655,408	655,408
Resource Room												
Salaries of Teachers		1,969,710	1,969,710		(10,934)	(10,934)		1,958,776	1,958,776		1,958,706	1,958,706
Other Salaries for Instruction		-	-		-	-		-	-		-	-
Purchased Professional/Educational Services		-	-		-	-		-	-		-	-
Purchased Technical Services		850	850		(850)	(850)		-	-		-	-
Other Purchased Services		-	-		-	-		-	-		-	-
General Supplies		5,300	5,300		(3,588)	(3,588)		1,712	1,712		1,712	1,712
Total Resource Room		1,975,860	1,975,860		(15,372)	(15,372)		1,960,488	1,960,488		1,960,418	1,960,418
Preschool Disabilities- Full Time												
Salaries of Teachers												
Other Salaries for Instruction		488,471	488,471		(45,251)	(45,251)		443,220	443,220		443,220	443,220
Purchased Professional-Educational Services	\$ 20,400	-	20,400		-	-		20,400	20,400	\$ 17,696	-	17,696
Other Purchased Services		1,000	1,000		(1,000)	(1,000)		-	-		-	-
General Supplies		10,000	10,000		(4,124)	(4,124)		5,876	5,876		5,845	5,845
Total Preschool Disabilities	20,400	499,471	519,871		(50,375)	(50,375)		20,400	449,096	469,496	17,696	449,065
Home Instruction												
Salaries of Teachers	20,000	-	20,000	\$ 19,493	-	19,493	39,493	-	39,493	39,493	39,493	39,493
Purchased Professional/Educational Services	50,000	-	50,000	(9,583)	-	(9,583)	40,417	-	40,417	30,111	-	30,111
Total Home Instruction	70,000	-	70,000	9,910	-	9,910	79,910	-	79,910	69,604	-	69,604
Total Special Education	90,400	3,304,981	3,395,381	9,910	(68,010)	(58,100)	100,310	3,236,971	3,337,281	87,300	3,236,870	3,324,170
School Sponsored Co/Extra-Curricular Activities												
Salaries	52,300	343,156	395,456	(4,410)	171,946	167,536	47,890	515,082	562,972	33,131	442,877	476,008
Other Purchased Services	32,150	4,119	36,269	(1,710)	5,276	3,566	30,440	9,395	39,835	29,960	8,501	38,461
Supplies and Materials	55,474	38,515	93,989	(19,874)	(500)	(20,374)	35,600	38,015	73,615	30,589	36,324	66,913
Other Objects	2,000	35,800	37,800	(2,000)	13,326	11,326	-	49,126	49,126	-	48,951	48,951
Total School Sponsored Co/Extra-Curricular Activities	141,924	421,570	563,494	(27,994)	190,048	162,054	113,930	611,618	725,548	93,680	536,653	630,333

HOBOKEN BOARD OF EDUCATION
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			Adjustments			Final Budget			Actual		
	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Actual Blended Resource Fund 15	Total General Fund
EXPENDITURES												
CURRENT EXPENDITURES (Continued)												
School Sponsored Athletics												
Salaries	-	\$ 500,114	\$ 500,114	-	\$ 12,072	\$ 12,072	-	\$ 512,186	\$ 512,186	-	\$ 472,185	\$ 472,185
Other Purchased Services		131,467	131,467		(562)	(562)		130,905	130,905		78,956	78,956
Supplies and Materials		136,776	136,776		(9,372)	(9,372)		127,404	127,404		127,400	127,400
Other Objects		9,753	9,753		(2,506)	(2,506)		7,249	7,249		7,249	7,249
Total School Sponsored Athletics		778,112	778,112		(368)	(368)		777,744	777,744		685,790	685,790
Summer School - Instruction												
Salaries of Teachers	\$ 99,807	-	99,807	\$ 51,934	58,448	110,382	\$ 151,741	58,448	210,189	\$ 150,639	56,753	207,392
Other Salaries for Instruction	50,000	-	50,000	(25,925)	-	(25,925)	24,075	-	24,075	24,075	-	24,075
Salaries of Teacher Tutors	-	-	-	-	-	-	-	-	-	-	-	-
General Supplies	5,000	-	5,000	(323)	-	(323)	4,677	-	4,677	2,900	-	2,900
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-
Total Summer School	154,807	-	154,807	25,686	58,448	84,134	180,493	58,448	238,941	177,614	56,753	234,367
Total - Instruction	1,755,581	17,539,930	19,295,511	175,559	203,595	379,154	1,931,140	17,743,525	19,674,665	1,768,441	17,480,014	19,248,455
Undistributed Expenditures												
Instruction												
Tuition to Other LEAs Within the State- Regular	10,000	-	10,000	(10,000)	-	(10,000)	-	-	-	-	-	-
Tuition to Other LEAs Within the State- Special	263,853	-	263,853	(9,300)	-	(9,300)	254,553	-	254,553	254,283	-	254,283
Tuition to County Special Services - School Districts & Regional Day Schools	243,687	-	243,687	(31,612)	-	(31,612)	212,075	-	212,075	211,575	-	211,575
Tuition to Private Schools for the Disabled Within the State	1,202,461	-	1,202,461	490,033	-	490,033	1,692,494	-	1,692,494	1,690,602	-	1,690,602
Tuition - State Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Tuition - Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Undistributed Expenditures - Instruction	1,720,001	-	1,720,001	439,121	-	439,121	2,159,122	-	2,159,122	2,156,460	-	2,156,460
Attendance and Social Work Services												
Salaries	87,866	344,761	432,627	38,826	(62,241)	(23,415)	126,692	282,520	409,212	122,375	281,840	404,215
Salaries of Drop-Out Prevention Officer/Coordinator	-	-	-	-	-	-	-	-	-	-	-	-
Other Purchased Services	54,060	-	54,060	(2,369)	-	(2,369)	51,691	-	51,691	51,691	-	51,691
Supplies and Materials	-	1,015	1,015	-	(1,015)	(1,015)	-	-	-	-	-	-
Total Attendance and Social Work Services	141,926	345,776	487,702	36,457	(63,256)	(26,799)	178,383	282,520	460,903	174,066	281,840	455,906
Health Services												
Salaries	3,634	368,906	372,540	(3,634)	45,830	42,196	-	414,736	414,736	-	414,585	414,585
Purchased Professional and Technical Services	41,108	300	41,408	(11,108)	1,924	(9,184)	30,000	2,224	32,224	22,345	1,980	24,325
Other Purchased Services	-	100	100	-	(68)	(68)	-	32	32	-	32	32
Supplies and Materials	-	18,943	18,943	-	(4,899)	(4,899)	-	14,044	14,044	-	14,040	14,040
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-
Total Health Services	44,742	388,249	432,991	(14,742)	42,787	28,045	30,000	431,036	461,036	22,345	430,637	452,982
Speech, OT, PT & Related Services												
Salaries	459,820	-	459,820	(12,993)	-	(12,993)	446,827	-	446,827	446,827	-	446,827
Purchased Professional - Educational Services	492,000	-	492,000	49,241	-	49,241	541,241	-	541,241	519,906	-	519,906
Supplies and Materials	10,700	-	10,700	(5,331)	-	(5,331)	5,369	-	5,369	5,369	-	5,369
Total Speech, OT, PT & Related Services	962,520	-	962,520	30,917	-	30,917	993,437	-	993,437	972,102	-	972,102
Other Supp. Serv. Students-Extra Serv.												
Salaries	1,165,209	-	1,165,209	(56,150)	-	(56,150)	1,109,059	-	1,109,059	1,181,397	-	1,181,397
Purchased Professional-Educational Services	-	-	-	4,077	-	4,077	4,077	-	4,077	3,805	-	3,805
Supplies and Materials	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Supp. Serv. Students-Extra Serv.	1,165,209	-	1,165,209	(52,073)	-	(52,073)	1,113,136	-	1,113,136	1,185,202	-	1,185,202

HOBOKEN BOARD OF EDUCATION
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			Adjustments			Final Budget			Actual		
	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Actual Blended Resource Fund 15	Total General Fund
EXPENDITURES												
CURRENT EXPENDITURES (Continued)												
Undistributed Expenditures (Continued)												
Guidance												
Salaries of Other Professional Staff	-	\$ 531,284	\$ 531,284	-	\$ (9,868)	\$ (9,868)	\$ 521,416	\$ 521,416	\$ 521,416	\$ 521,416	\$ 521,416	\$ 521,416
Salaries of Secretarial and Clerical Assistants	-	61,745	61,745	-	(5)	(5)	61,740	61,740	61,740	60,844	60,844	60,844
Purchased Professional - Educational Services	-	3,000	3,000	-	1,091	1,091	4,091	4,091	4,091	4,091	4,091	4,091
Supplies and Materials	-	9,000	9,000	-	(4,408)	(4,408)	4,592	4,592	4,592	4,592	4,592	4,592
Other Objects	-	60,075	60,075	-	(20,598)	(20,598)	39,477	39,477	39,477	39,477	39,477	39,477
Total Guidance	-	665,104	665,104	-	(33,788)	(33,788)	631,316	631,316	631,316	630,420	630,420	630,420
Child Study Teams												
Salaries of Other Professional Staff	\$ 1,342,165	-	1,342,165	\$ (200,969)	-	(200,969)	\$ 1,141,196	1,141,196	\$ 1,141,196	1,141,196	1,141,196	1,141,196
Salaries of Secretarial and Clerical Assistants	59,895	-	59,895	50,580	-	50,580	110,475	110,475	63,379	63,379	63,379	63,379
Purchased Professional Educational Svcs.	35,000	-	35,000	(13,158)	-	(13,158)	21,842	21,842	21,842	21,842	21,842	21,842
Other Purchased Prof. and Tech. Services	30,000	-	30,000	8,773	-	8,773	38,773	38,773	38,773	38,773	38,773	38,773
Other Purchased Services	15,000	-	15,000	(11,500)	-	(11,500)	3,500	3,500	3,500	3,500	3,500	3,500
Residential Costs	-	-	-	-	-	-	-	-	-	-	-	-
Supplies and Materials	33,537	-	33,537	(13,898)	-	(13,898)	19,639	19,639	19,639	19,639	19,639	19,639
Other Objects	1,000	-	1,000	(1,000)	-	(1,000)	-	-	-	-	-	-
Total Child Study Teams	1,516,617	-	1,516,617	(181,172)	-	(181,172)	1,335,445	1,335,445	1,288,285	1,288,285	1,288,285	1,288,285
Improvement of Instructional Services												
Salaries of Supervisors of Instruction	229,509	53,995	283,504	57,775	(42,746)	15,029	287,284	11,249	298,533	235,284	11,249	246,533
Salaries of Other Professional Staff	125,079	-	125,079	(76,053)	-	(76,053)	49,026	49,026	47,781	47,781	47,781	47,781
Salaries of Secretarial and Clerical Assist.	68,482	-	68,482	2,076	-	2,076	70,558	70,558	68,110	68,110	68,110	68,110
Other Salaries	45,166	-	45,166	-	-	-	45,166	45,166	45,166	45,166	45,166	45,166
Salaries of Facilitators, Math & Literacy Coaches	-	-	-	-	-	-	-	-	-	-	-	-
Other Purchased Services	1,000	-	1,000	3,218	-	3,218	4,218	4,218	4,218	4,218	4,218	4,218
Purchased Professional Educational Svcs.	500	13,100	13,600	32,512	(13,100)	19,412	33,012	33,012	32,512	32,512	32,512	32,512
Other Purch. Prof & Tech Services	-	-	-	-	-	-	-	-	-	-	-	-
Supplies and Materials	8,950	-	8,950	(3,500)	-	(3,500)	5,450	5,450	3,491	3,491	3,491	3,491
Other Objects	200	-	200	-	-	-	200	200	200	200	200	200
Total Improvement of Instructional Services	478,886	67,095	545,981	16,028	(55,846)	(39,818)	494,914	11,249	506,163	391,396	11,249	402,645
Educational Media Services/School Library												
Salaries	393,448	164,416	557,864	(733)	(61,597)	(62,330)	392,715	102,819	495,534	392,715	98,711	491,426
Purchased Professional and Technical Services	64,868	-	64,868	(22,308)	-	(22,308)	42,560	42,560	39,986	39,986	39,986	39,986
Other Purchased Services	93,780	10,000	103,780	(69,735)	(10,000)	(79,735)	24,045	24,045	24,045	24,000	24,000	24,000
Supplies and Materials	35,224	33,100	68,324	(3,500)	(4,982)	(8,482)	31,724	31,618	63,342	26,765	31,618	58,383
Other Objects	-	1,300	1,300	-	(1,205)	(1,205)	-	95	95	-	95	95
Total Educational Media Services/School Library	587,320	208,816	796,136	(96,276)	(74,284)	(170,560)	491,044	134,532	625,576	483,466	130,424	613,890
Instructional Staff Training Services												
Salaries of Secretarial and Clerical Assist.	-	-	-	-	-	-	-	-	-	-	-	-
Purchased Professional Educational Svcs.	-	6,000	6,000	4,000	(3,627)	373	4,000	2,373	6,373	4,000	2,373	6,373
Other Purchased Prof. and Tech. Services	3,000	-	3,000	800	-	800	3,800	3,800	3,800	3,800	3,800	3,800
Other Purchased Services	-	29,540	29,540	3,500	(3,665)	(165)	3,500	25,875	29,375	8	24,830	24,838
Supplies & Materials	-	-	-	-	-	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-
Total Instructional Staff Training Services	3,000	35,540	38,540	8,300	(7,292)	1,008	11,300	28,248	39,548	7,808	27,203	35,011

HOBOKEN BOARD OF EDUCATION
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			Adjustments			Final Budget			Actual		
	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Actual Blended Resource Fund 15	Total General Fund
EXPENDITURES												
CURRENT EXPENDITURES (Continued)												
Undistributed Expenditures (Continued)												
Support Services General Administration												
Salaries	\$ 280,280		\$ 280,280	\$ 15,769		\$ 15,769	\$ 296,049		\$ 296,049	\$ 296,049		\$ 296,049
General Admin Salaries- Governance Staff												
Legal Services	150,000		150,000	42,256		42,256	192,256		192,256	99,411		99,411
Audit Fees	82,000		82,000	33,000		33,000	115,000		115,000	72,935		72,935
Architectural/Engineering Fees	44,370		44,370	60,622		60,622	104,992		104,992	49,297		49,297
Other Purchased Professional Services	20,500		20,500	995		995	21,495		21,495	17,495		17,495
Purchased Technical Services												
Communications/Telephone	145,355		145,355	(79,485)		(79,485)	65,870		65,870	56,397		56,397
BOE Other Purchased Services	4,500		4,500				4,500		4,500	4,360		4,360
Misc Purchased Services	213,168		213,168	(33,121)		(33,121)	180,047		180,047	171,662		171,662
General Supplies	12,500		12,500	10,926		10,926	23,426		23,426	21,798		21,798
BOE In-House Training/Meeting Supplies	100		100	(100)		(100)						
Judgments Against the School District												
Miscellaneous Expenditures	10,606		10,606	(147)		(147)	10,459		10,459	6,039		6,039
BOE Membership Dues and Fees	27,911		27,911	23		23	27,934		27,934	27,934		27,934
Total Support Services General Administration	991,290	-	991,290	50,738	-	50,738	1,042,028	-	1,042,028	823,377	-	823,377
Support Services School Administration												
Salaries of Principals/Asst. Principals		\$ 1,134,066	1,134,066	125	\$ (59,705)	(59,580)	125	\$ 1,074,361	1,074,486	125	\$ 1,074,361	1,074,486
Salaries of Other Professional Staff		46,168	46,168	6,000	(46,168)	(40,168)	6,000	-	6,000	6,000	-	6,000
Salaries of Secretarial and Clerical Assistants		265,677	265,677		118,128	118,128	383,805	383,805	383,243	383,243	383,243	383,243
Purchased Professional and Technical Svcs.												
Other Purchased Services		920	920		(920)	(920)						
Supplies and Materials		124,504	124,504		4,948	4,948		129,452	129,452		125,042	125,042
Other Objects		7,500	7,500		(1,173)	(1,173)		6,327	6,327		6,292	6,292
Total Support Services School Administration	-	1,578,835	1,578,835	6,125	15,110	21,235	6,125	1,593,945	1,600,070	6,125	1,588,938	1,595,063
Support Services Central Services												
Salaries	527,172		527,172	28,284		28,284	555,456		555,456	552,641		552,641
Purchased Professional Services	96,468		96,468	14,341		14,341	110,809		110,809	103,527		103,527
Purchased Technical Services	9,352		9,352	1,894		1,894	11,246		11,246	11,246		11,246
Misc. Purch. Services	11,750		11,750	1,365		1,365	13,115		13,115	11,171		11,171
Sale/Lease-back Payments												
Supplies and Materials	23,950		23,950	(511)		(511)	23,439		23,439	23,197		23,197
Interest on Lease Purchase Agreements	30,054		30,054	511		511	30,565		30,565	30,565		30,565
Misc. Expenditures	3,559		3,559	(100)		(100)	3,459		3,459			1,500
Total Support Services Central Services	702,305	-	702,305	45,784	-	45,784	748,089	-	748,089	733,847	-	733,847
Admin. Info. Tech.												
Salaries	62,965		62,965	25,850		25,850	88,815		88,815	88,815		88,815
Purchased Professional Services	8,434		8,434				8,434		8,434	1,145		1,145
Purchased Technical Services	15,000		15,000	(10,000)		(10,000)	5,000		5,000	4,587		4,587
Other Purchased Services	10,000		10,000	(5,154)		(5,154)	4,846		4,846	3,090		3,090
Supplies and Materials	10,500		10,500				10,500		10,500	10,255		10,255
Total Admin. Info Tech.	106,899	-	106,899	10,696	-	10,696	117,595	-	117,595	107,892	-	107,892
Required Maintenance For School Facilities												
Salaries	823,113		823,113	7,689		7,689	830,802		830,802	779,340		779,340
Unused Vacation Payment to Terminated Staff												
Cleaning, Repair, and Maintenance Services	617,286		617,286	55,510		55,510	672,796		672,796	574,882		574,882
General Supplies	81,120		81,120	(17,950)		(17,950)	63,170		63,170	59,213		59,213
Total Required Maintenance For School Facilities	1,521,519	-	1,521,519	45,249	-	45,249	1,566,768	-	1,566,768	1,413,435	-	1,413,435

HOBOKEN BOARD OF EDUCATION
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			Adjustments			Final Budget			Actual		
	Operating Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Actual Blended Resource Fund 15	Total General Fund
EXPENDITURES												
CURRENT EXPENDITURES (Continued)												
Undistributed Expenditures (Continued)												
Custodial Services												
Salaries	\$ 1,123,394	-	\$ 1,123,394	\$ 432,417	-	\$ 432,417	\$ 1,555,811	-	\$ 1,555,811	\$ 1,608,862	-	\$ 1,608,862
Salaries of Non-Instructional Aides	-	\$ 9,662	9,662	-	\$ (8,486)	(8,486)	-	\$ 1,176	1,176	\$ 1,176	-	\$ 1,176
Cleaning, Repair, and Maintenance Services	241,767	-	241,767	(50,812)	-	(50,812)	190,955	-	190,955	171,889	-	171,889
Other Purchased Property Services	122,890	-	122,890	10,751	-	10,751	133,641	-	133,641	184,349	-	184,349
Insurance	210,157	-	210,157	(37,447)	-	(37,447)	172,710	-	172,710	172,710	-	172,710
Miscellaneous Purchased Services	153,072	-	153,072	(50,777)	-	(50,777)	102,295	-	102,295	102,295	-	102,295
General Supplies	191,122	10,000	201,122	13,608	(4,328)	9,280	204,730	5,672	210,402	196,630	5,672	202,302
Energy (Electricity)	741,857	-	741,857	(155,861)	-	(155,861)	585,996	-	585,996	510,610	-	510,610
Energy (Natural Gas)	278,717	-	278,717	30,711	-	30,711	309,428	-	309,428	224,907	-	224,907
Other Objects	6,426	-	6,426	(5,133)	-	(5,133)	1,293	-	1,293	-	-	-
Total Custodial Services	3,069,402	19,662	3,089,064	187,457	(12,814)	174,643	3,256,859	6,848	3,263,707	3,172,252	6,848	3,179,100
Care & Upkeep of Grounds												
Salaries	119,035	-	119,035	-	-	-	119,035	-	119,035	111,785	-	111,785
Cleaning, Repair, and Maintenance Services	-	-	-	5,653	-	5,653	5,653	-	5,653	5,653	-	5,653
General Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Total Care & Upkeep of Grounds	119,035	-	119,035	5,653	-	5,653	124,688	-	124,688	117,438	-	117,438
Security												
Salaries	337,801	-	337,801	104,508	-	104,508	442,309	-	442,309	445,458	-	445,458
Cleaning, Repair & Maintenance Services	-	-	-	-	-	-	-	-	-	-	-	-
General Supplies	2,600	4,515	7,115	6,017	(2,486)	3,531	8,617	2,029	10,646	8,616	2,029	10,645
Total Security	340,401	4,515	344,916	110,525	(2,486)	108,039	450,926	2,029	452,955	454,074	2,029	456,103
Student Transportation Services												
Salaries of Non-Instructional Aides	46,109	-	46,109	-	-	-	46,109	-	46,109	45,475	-	45,475
Salaries for Pupil Transportation (Between Home and School) - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Salaries for Pupil Transportation (Between Home and School) - Spec Ed	65,184	-	65,184	6,531	-	6,531	71,715	-	71,715	71,715	-	71,715
Salaries for Pupil Transportation (Other than Btw Home and School)	-	-	-	300	-	300	300	-	300	227	-	227
Contracted Services (Other Than Between Home and School) - Vendors	-	45,312	45,312	-	19,824	19,824	-	65,136	65,136	60,645	-	60,645
Other Purchased Prof. and Technical Serv.	78,030	-	78,030	(6,300)	-	(6,300)	71,730	-	71,730	70,800	-	70,800
Cleaning Repair & Maintenance Services	17,325	-	17,325	2,000	-	2,000	19,325	-	19,325	17,521	-	17,521
Contracted Svcs. (Oth. Than Btw Home & Sch)- Vend	98,010	-	98,010	500	-	500	98,510	-	98,510	97,913	-	97,913
Contracted Svcs. (Spec Ed Students) Vendors	961,199	-	961,199	472,261	-	472,261	1,433,460	-	1,433,460	1,409,086	-	1,409,086
Contracted Svcs. (Spec Ed Students) Joint Agreements	76,000	-	76,000	(74,077)	-	(74,077)	1,923	-	1,923	-	-	-
Misc. Purchased Services - Transportation	600	-	600	-	-	-	600	-	600	448	-	448
General Supplies	4,000	-	4,000	(780)	-	(780)	3,220	-	3,220	1,297	-	1,297
Transportation Supplies	11,000	-	11,000	-	-	-	11,000	-	11,000	5,500	-	5,500
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-
Total Student Transportation Services	1,357,457	45,312	1,402,769	400,435	19,824	420,259	1,757,892	65,136	1,823,028	1,719,982	60,645	1,780,627
Unallocated Benefits - Employee Benefits												
Social Security Contributions	671,322	232,947	904,269	(73,012)	(40,900)	(113,912)	598,310	192,047	790,357	597,987	192,047	790,034
Other Retirement Contributions-PERS	646,554	-	646,554	(13,124)	-	(13,124)	633,430	-	633,430	633,429	-	633,429
Other Retirement Contributions - DCRP	18,000	-	18,000	29,499	-	29,499	47,499	-	47,499	45,720	-	45,720
Unemployment Compensation	182,207	59,759	241,966	(115,621)	(1,012)	(116,633)	66,586	58,747	125,333	25,311	58,747	84,058
Workers Compensation	504,044	-	504,044	(31,255)	-	(31,255)	472,789	-	472,789	421,532	-	421,532
Health Benefits	671,953	4,703,304	5,375,257	305,539	(1,350)	304,189	977,492	4,701,954	5,679,446	977,322	4,701,854	5,679,176
Unused Sick Payments to Terminated Employees	-	315,072	315,072	20,731	21,396	42,127	20,731	336,468	357,199	20,731	317,788	338,519
Tuition Reimbursement	80,000	-	80,000	2,574	-	2,574	82,574	-	82,574	82,574	-	82,574
Other Employee Benefits	191,827	-	191,827	(9,627)	-	(9,627)	182,200	-	182,200	106,625	-	106,625
Total Unallocated Benefits	2,965,907	5,311,082	8,276,989	115,704	(21,866)	93,838	3,081,611	5,289,216	8,370,827	2,911,231	5,270,436	8,181,667

HOBOKEN BOARD OF EDUCATION
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			Adjustments			Final Budget			Actual		
	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Actual Blended Resource Fund 15	Total General Fund
EXPENDITURES												
CURRENT EXPENDITURES (Continued)												
Undistributed Expenditures (Continued)												
On Behalf TPAF Pension Contrib. (Non Budgeted)												
Normal & Accrued Liab Pension Benefit Contribution										\$ 2,777,363		\$ 2,777,363
NCGI										67,400		67,400
Long-Term Disability Insurance										5,062		5,062
Post-Retirement Medical Benefit Contribution										1,837,371		1,837,371
On Behalf TPAF Social Security Contribution (Non Budgeted)										1,520,922		1,520,922
Total Undistributed Expenditures	\$ 17,794,436	\$ 8,669,986	\$ 26,464,422	\$ 1,164,926	\$ (193,911)	\$ 971,015	\$ 18,959,362	\$ 8,476,075	\$ 27,435,437	24,348,901	\$ 8,440,669	32,789,570
Interest Earned on Maintenance Reserve	2,700	-	2,700	-	-	-	2,700	-	2,700	-	-	-
Total Expenditures - Current Expense	19,552,717	26,209,916	45,762,633	1,340,485	9,684	1,350,169	20,893,202	26,219,600	47,112,802	26,117,342	25,920,683	52,038,025
CAPITAL OUTLAY												
Equipment												
Grades 1-5												
Grades 6-8												
Grades 9-12												
Undistributed Expenditures												
School Sponsored & Other Instruction												
School Administration												
Admin Info Technology	50,000		50,000	(8,485)		(8,485)	41,515		41,515	2,978		2,978
Operations and Maintenance of Plant Services				3,485		3,485	3,485		3,485	3,485		3,485
Non-Instructional Services												
Total Equipment	50,000	-	50,000	(5,000)	-	(5,000)	45,000	-	45,000	6,463	-	6,463
Facilities Acquisition and Construction Services												
Architectural/Engineering Svcs.	18,471		18,471	(18,471)		(18,471)						
Other Purchased Prof. and Tech Services												
Construction Services	189,365		189,365	172,851		172,851	362,216		362,216	270,266		270,266
Supplies and Materials	6,624		6,624	(6,624)		(6,624)						
Land Improvements												
Lease Purchase Agreements - Principal	316,428		316,428				316,428		316,428	316,232		316,232
Other Objects												
Total Facilities Acquis. and Const. Services	530,888	-	530,888	147,756	-	147,756	678,644	-	678,644	586,498	-	586,498
Interest Deposit to Capital Reserve	6,400		6,400				6,400		6,400			
Total Capital Outlay	587,288	-	587,288	142,756	-	142,756	730,044	-	730,044	592,961	-	592,961

HOBOKEN BOARD OF EDUCATION
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			Adjustments			Final Budget			Actual		
	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Budget Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11-13	Actual Blended Resource Fund 15	Total General Fund
CAPITAL OUTLAY												
CHARTER SCHOOLS	\$ 10,155,500	-	\$ 10,155,500	\$ (1,045,622)	-	\$ (1,045,622)	\$ 9,109,878	-	\$ 9,109,878	\$ 9,095,778	-	\$ 9,095,778
Transfer of Funds to Charter Schools	10,155,500	-	10,155,500	(1,045,622)	-	(1,045,622)	9,109,878	-	9,109,878	9,095,778	-	9,095,778
Total Transfer of Funds to Charter Schools	30,295,505	\$ 26,209,916	56,505,421	437,619	\$ 9,684	447,303	30,733,124	\$ 26,219,600	56,952,724	35,806,081	\$ 25,920,683	61,726,764
Total Expenditures - General Fund												
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,441,653	(26,209,916)	(768,263)	(674,607)	(9,684)	(684,291)	24,767,046	(26,219,600)	(1,452,554)	26,303,452	(25,920,683)	382,769
Other Financing Sources(Uses)												
Transfers In-SBB-General Fund		25,686,114	25,686,114	-	(13,654)	(13,654)		25,672,460	25,672,460		25,380,659	25,380,659
Transfers In-SBB-Special Revenue Fund		523,802	523,802	-	23,338	23,338		547,140	547,140		540,024	540,024
Transfer Out- Special Revenue Fund	(344,820)		(344,820)	-			(344,820)		(344,820)	(344,820)		(344,820)
Transfers Out-SBB	(25,686,114)	-	(25,686,114)	13,653	-	13,653	(25,672,461)	-	(25,672,461)	(25,380,659)	-	(25,380,659)
Transfer In- Return of Capital Reserve from Capital Projects Fund				-						1,511,869		1,511,869
Transfer In- Prior Year Debt Service Returned From Capital Projects Fund										42,158		42,158
Transfers Out- After Care Program Fund				(4,820)		(4,820)	(4,820)		(4,820)	(548,770)		(548,770)
Transfers Out- Food Service Fund	(50,000)	-	(50,000)	(50,000)	-	(50,000)	(100,000)	-	(100,000)	-	-	-
Total Other Financing Sources(Uses)	(26,080,934)	26,209,916	128,982	(41,167)	9,684	(31,483)	(26,122,101)	26,219,600	97,499	(24,720,222)	25,920,683	1,200,461
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(639,281)	-	(639,281)	(715,774)	-	(715,774)	(1,355,055)	-	(1,355,055)	1,583,230	-	1,583,230
Fund Balances, Beginning of Year	6,810,266	-	6,810,266	-	-	-	6,810,266	-	6,810,266	6,810,266	-	6,810,266
Fund Balances, End of Year	\$ 6,170,985	\$ -	\$ 6,170,985	\$ (715,774)	\$ -	\$ (715,774)	\$ 5,455,211	\$ -	\$ 5,455,211	\$ 8,393,496	\$ -	\$ 8,393,496

**HOBOKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
State Sources	\$ 14,209,974	\$ 268,044	\$ 14,478,018	\$ 13,543,566	\$ (934,452)
Federal Sources	1,147,436	757,016	1,904,452	1,881,958	(22,494)
Other Sources	6,900	5,222	12,122	8,405	(3,717)
Total Revenues	15,364,310	1,030,282	16,394,592	15,433,929	(960,663)
EXPENDITURES					
Instruction					
Salaries of Teachers	196,502	(1,760)	194,742	194,742	-
Other Salaries for Instruction	96,700	(74,588)	22,112	-	22,112
Other Salaries	-	-	-	-	-
Purchased Prof. and Tech. Svcs.	178,964	292,314	471,278	282,574	188,704
Purchased Professional-Educational Services	-	-	-	-	-
Tuition	382,279	308,197	690,476	668,255	22,221
Other Purchased Services	-	-	-	-	-
General Supplies	6,434	79,830	86,264	49,975	36,289
Textbooks	50,745	152,065	202,810	130,561	72,249
Travel	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Instruction	911,624	756,058	1,667,682	1,326,107	341,575
Support Services					
Salaries	287,565	69,642	357,207	341,299	15,908
Salaries of Principals/Assistant Principals/Program Directors	20,000	77,648	97,648	97,648	-
Salaries of Supervisors of Instruction	-	-	-	-	-
Salaries of Other Professional Staff	417,636	(69,247)	348,389	339,230	9,159
Salaries of Secretarial and Clerical Asst.	94,597	-	94,597	92,035	2,562
Salaries of Community Parent Involvement Specialists	56,100	-	56,100	56,100	-
Salaries of Master Teachers	252,789	-	252,789	243,353	9,436
Other Salaries	336,238	-	336,238	333,558	2,680
Personnel Services - Employee Benefits	425,896	11,373	437,269	399,357	37,912
Purchased Prof./Educ. Svcs.	259,539	102,370	361,909	286,649	75,260
Purchased Educational Services-Contracted Pre-K	10,362,435	-	10,362,435	10,180,243	182,192
Purchased Professional and Technical Services	58,096	(540)	57,556	13,507	44,049
Purchased Educational Services- Head Start	796,230	-	796,230	796,230	-
Other Purchased Professional-Education Services	67,500	-	67,500	35,370	32,130
Other Purchased Professional Services	10,000	-	10,000	5,167	4,833
Cleaning, Repair and Maintenance Services	6,202	15,674	21,876	-	21,876
Contracted Services (Other than Between Home & School)	-	-	-	-	-
Travel	11,525	(1,525)	10,000	470	9,530
Other Purchased Services	51,651	107,342	158,993	150,722	8,271
Miscellaneous Purchased Services	81,590	(81,590)	-	-	-
Supplies and Materials	129,018	(38,860)	90,158	39,366	50,792
Other Objects	527,875	84,653	612,528	502,314	110,214
Miscellaneous Expenditures	-	-	-	-	-
Total Student and Instruction Related Services	14,252,482	276,940	14,529,422	13,912,618	616,804
Capital Outlay					
Instructional Equipment	5,000	(2,716)	2,284	-	2,284
Non-instructional Equipment	-	-	-	-	-
Total Capital Outlay	5,000	(2,716)	2,284	-	2,284
Total Expenditures	15,169,106	1,030,282	16,199,388	15,238,725	960,663
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	195,204	-	195,204	195,204	-
Other Financing Sources (Uses)					
Transfer In- General Fund	344,820	-	344,820	344,820	-
Transfer Out - Contribution to School Based Budgets (SBB)	(540,024)	-	(540,024)	(540,024)	-
Total Other Financing Sources (Uses)	(195,204)	-	(195,204)	(195,204)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing (Uses)					
	-	-	-	-	-
Fund Balances, Beginning of Year					
	-	-	-	-	-
Fund Balances, End of Year					
	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation to Governmental Fund Statements (GAAP):					
Less: State Aid Payments Not Recognized on GAAP Basis				\$ (667,898)	
Fund Balance per Governmental Funds (GAAP)				\$ (667,898)	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION PART II

**HOBOKEN BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of 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 and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1, C-2)	\$ 62,109,533	\$ 15,433,929
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2018		(41,259)
Encumbrances, June 30, 2017 (Net of Cancellations)		11,536
State Aid payments recognized for GAAP purposes not recognized for Budgetary statements (June 30, 2017)	1,321,022	29,600
State Aid payments recognized for Budgetary purposes not recognized for GAAP statements (June 30, 2018)	<u>(1,309,836)</u>	<u>(667,898)</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 62,120,719</u>	<u>\$ 14,765,908</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule (Exhibits C-1, C-2)	\$ 61,726,764	\$ 15,238,725
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances, June 30, 2018		(41,259)
Encumbrances, June 30, 2017 (Net of Cancellations)	<u>-</u>	<u>11,536</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 61,726,764</u>	<u>\$ 15,209,002</u>

REQUIRED SUPPLEMENTARY INFORMATION PART III
PENSION INFORMATION
AND
OTHER POSTEMPLOYMENT BENEFITS INFORMATION

**HOBOKEN BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Five Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.06790%	0.06827%	0.07995%	0.07771%	0.07463%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 15,805,708</u>	<u>\$ 20,218,218</u>	<u>\$ 17,947,941</u>	<u>\$ 14,550,958</u>	<u>\$ 14,263,915</u>
District's Covered-Employee Payroll	\$ 4,582,628	\$ 4,539,876	\$ 4,628,916	\$ 5,442,154	\$ 5,336,843
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	345%	445%	388%	267%	267%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%	52.08%	48.72%

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* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**HOBOKEN BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Five Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 629,008	\$ 606,459	\$ 687,385	\$ 640,697	\$ 562,347
Contributions in Relation to the Contractually Required Contribution	<u>629,008</u>	<u>606,459</u>	<u>687,385</u>	<u>640,697</u>	<u>562,347</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$4,582,628	\$4,539,876	\$4,628,916	\$ 5,442,154	\$ 5,336,843
Contributions as a Percentage of Covered-Employee Payroll	14%	13%	15%	11%	10%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**HOBOKEN BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Five Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 125,131,544</u>	<u>\$ 156,301,194</u>	<u>\$ 119,298,226</u>	<u>\$ 98,319,221</u>	<u>\$ 97,995,176</u>
Total	<u>\$ 125,131,544</u>	<u>\$ 156,301,194</u>	<u>\$ 119,298,226</u>	<u>\$ 98,319,221</u>	<u>\$ 97,995,176</u>
District's Covered-Employee Payroll	\$ 19,401,679	\$ 19,518,822	\$ 18,746,680	\$ 19,462,488	\$ 18,555,373
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	25.41%	22.33%	28.71%	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**HOBOKEN BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 4.

**HOBOKEN BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last One Fiscal Year*

	2018
Total OPEB Liability	
Service Cost	\$ 3,958,424
Interest on Total OPEB Liability	3,758,895
Changes of Assumptions	(15,521,029)
Gross Benefit Payments	(2,729,837)
Contribution from the Member	100,519
Net Change in Total OPEB Liability	(10,433,028)
Total OPEB Liability - Beginning	127,914,700
Total OPEB Liability - Ending	\$ 117,481,672
District's Proportionate Share of OPEB Liability	\$ -
State's Proportionate Share of OPEB Liability	117,481,672
Total OPEB Liability - Ending	\$ 117,481,672
District's Covered-Employee Payroll	\$ 23,984,307
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%

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

*The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**HOBOKEN BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 4.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND
COMBINING BALANCE SHEET
AS OF JUNE 30, 2018**

	<u>Operating Fund Fund 11-13</u>	<u>Blended Resource Fund 15</u>	<u>Total General Fund</u>
ASSETS			
Cash and Cash Equivalents	\$ 6,975,241	\$ 54,048	\$ 7,029,289
Receivables, Net			
Intergovernmental			
State	74,692		74,692
Federal	710		710
Other Accounts Receivable	205,772		205,772
Due from Other Funds	<u>740,287</u>	<u>-</u>	<u>740,287</u>
 Total Assets	 <u>\$ 7,996,702</u>	 <u>\$ 54,048</u>	 <u>\$ 8,050,750</u>
 LIABILITIES			
Accounts Payable	\$ 574,973	\$ 54,048	\$ 629,021
Accrued Salaries and Wages	153,945		153,945
Compensated Absences Payable	50,000		50,000
Other Current Liabilities	<u>134,124</u>	<u>-</u>	<u>134,124</u>
 Total Liabilities	 <u>913,042</u>	 <u>54,048</u>	 <u>967,090</u>
 FUND BALANCES			
Restricted			
Capital Reserve	3,120,070		3,120,070
Maintenance Reserve	1,110,333		1,110,333
Emergency Reserve	563,764		563,764
Excess Surplus (2019/20 Budget)	1,167,222		1,167,222
Excess Surplus- Designated for Subsequent Year's Expenditures (2018/19 Budget)	878,971		878,971
Assigned			
Year End Encumbrances	231,170		231,170
Unassigned	<u>12,130</u>	<u>-</u>	<u>12,130</u>
 Total Fund Balances	 <u>7,083,660</u>	 <u>-</u>	 <u>7,083,660</u>
 Total Liabilities and Fund Balances	 <u>\$ 7,996,702</u>	 <u>\$ 54,048</u>	 <u>\$ 8,050,750</u>

**HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Districtwide

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-Wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total/Surplus Carryover</u>
General Fund Contribution to School Based Budgets	\$ 25,662,776		\$ 25,370,975	\$ 291,801
General Fund Encumbrances - June 30, 2017	9,684		9,684	-
	<u>25,672,460</u>		<u>25,380,659</u>	<u>291,801</u>
Combined General Fund Contribution	<u>25,672,460</u>	97.92%	<u>25,380,659</u>	<u>291,801</u>
Restricted Federal Resources				
Title I, Part A	512,000	1.95%	505,442	6,558
Title II Part A	<u>35,140</u>	<u>0.13%</u>	<u>34,582</u>	<u>558</u>
Restricted Federal Resources Total	<u>547,140</u>	<u>2.08%</u>	<u>540,024</u>	<u>7,116</u>
Totals	<u>\$ 26,219,600</u>	<u>100.00%</u>	<u>\$ 25,920,683</u>	<u>\$ 298,917</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Middle School

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures % of Total Resources</u>	<u>Total/Surplus Carryover % of Total Resources</u>
General Fund Contribution to School Based Budgets	\$ 2,224,051		\$ 2,191,300	\$ 32,751
General Fund Encumbrances - June 30, 2017	-		-	-
	<u>2,224,051</u>		<u>-</u>	<u>32,751</u>
 Combined General Fund Contribution	 <u>2,224,051</u>	 <u>95.74%</u>	 <u>2,191,300</u>	 <u>32,751</u>
Restricted Federal Resources				
Title I, Part A	99,029	4.26%	97,571	1,458
Title II Part A	-	0.00%	-	-
	<u>99,029</u>	<u>4.26%</u>	<u>97,571</u>	<u>1,458</u>
Restricted Federal Resources Total	<u>99,029</u>	<u>4.26%</u>	<u>97,571</u>	<u>1,458</u>
 Totals	 <u>\$ 2,323,080</u>	 <u>100.00%</u>	 <u>\$ 2,288,871</u>	 <u>\$ 34,209</u>

**HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School - High School

	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures % of Total Resources</u>	<u>Total/Surplus Carryover % of Total Resources</u>
<u>Resources</u>				
General Fund Contribution to School Based Budgets	\$ 7,669,607		\$ 7,423,305	\$ 246,302
General Fund Encumbrances - June 30, 2017	9,684		9,684	-
	<u>7,679,291</u>		<u>7,432,989</u>	<u>246,302</u>
Combined General Fund Contribution	<u>7,679,291</u>	97.84%	<u>7,432,989</u>	<u>246,302</u>
Restricted Federal Resources				
Title I, Part A	152,799	1.95%	147,898	4,901
Title II Part A	<u>16,996</u>	<u>0.22%</u>	<u>16,451</u>	<u>545</u>
Restricted Federal Resources Total	<u>169,795</u>	<u>2.16%</u>	<u>164,349</u>	<u>5,446</u>
Totals	<u>\$ 7,849,086</u>	<u>100.00%</u>	<u>\$ 7,597,338</u>	<u>\$ 251,748</u>

**HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School - Wallace

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures % of Total Resources</u>	<u>Total/Surplus Carryover % of Total Resources</u>
General Fund Contribution to School Based Budgets	\$ 8,070,029		\$ 8,067,950	\$ 2,079
General Fund Encumbrances - June 30, 2017	-		-	-
	<u>8,070,029</u>		<u>8,067,950</u>	<u>2,079</u>
Combined General Fund Contribution	<u>8,070,029</u>	98.17%	<u>8,067,950</u>	<u>2,079</u>
Restricted Federal Resources				
Title I, Part A	140,410	1.71%	140,374	36
Title II Part A	<u>9,792</u>	<u>0.12%</u>	<u>9,789</u>	<u>3</u>
Restricted Federal Resources Total	<u>150,202</u>	<u>1.83%</u>	<u>150,163</u>	<u>39</u>
Totals	<u>\$ 8,220,231</u>	<u>100.00%</u>	<u>\$ 8,218,113</u>	<u>\$ 2,118</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Connors

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures % of Total Resources</u>	<u>Total/Surplus Carryover % of Total Resources</u>
General Fund Contribution to School Based Budgets	\$ 3,950,517		\$ 3,948,062	\$ 2,455
General Fund Encumbrances - June 30, 2017	-		-	-
	<u>3,950,517</u>		<u>3,948,062</u>	<u>2,455</u>
Combined General Fund Contribution	<u>3,950,517</u>	97.71%	<u>3,948,062</u>	<u>2,455</u>
Restricted Federal Resources				
Title I, Part A	86,724	2.14%	86,670	54
Title II Part A	<u>6,048</u>	<u>0.15%</u>	<u>6,044</u>	<u>4</u>
Restricted Federal Resources Total	<u>92,772</u>	<u>2.29%</u>	<u>92,714</u>	<u>58</u>
Totals	<u>\$ 4,043,289</u>	<u>100.00%</u>	<u>\$ 4,040,776</u>	<u>\$ 2,513</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Calabro

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures % of Total Resources</u>	<u>Total/Surplus Carryover % of Total Resources</u>
General Fund Contribution to School Based Budgets	\$ 1,813,889		\$ 1,807,965	\$ 5,924
General Fund Encumbrances - June 30, 2017	-		-	-
	<u>1,813,889</u>		<u>1,807,965</u>	<u>5,924</u>
Combined General Fund Contribution	<u>1,813,889</u>	<u>98.09%</u>	<u>1,807,965</u>	<u>5,924</u>
Restricted Federal Resources				
Title I, Part A	33,038	1.79%	32,930	108
Title II Part A	<u>2,304</u>	<u>0.12%</u>	<u>2,296</u>	<u>8</u>
Restricted Federal Resources Total	<u>35,342</u>	<u>1.91%</u>	<u>35,227</u>	<u>115</u>
Totals	<u>\$ 1,849,231</u>	<u>100.00%</u>	<u>\$ 1,843,192</u>	<u>\$ 6,039</u>

**HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED Y RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School - Brandt

<u>Resources</u>	<u>Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures % of Total Resources</u>	<u>Total/Surplus Carryover % of Total Resources</u>
General Fund Contribution to School Based Budgets	\$ 1,934,683		\$ 1,932,393	\$ 2,290
General Fund Encumbrances - June 30, 2017	-		-	-
	<u>1,934,683</u>		<u>1,932,393</u>	<u>2,290</u>
Combined General Fund Contribution	<u>1,934,683</u>	<u>100.00%</u>	<u>1,932,393</u>	<u>2,290</u>
Restricted Federal Resources				
Title I, Part A		0.00%	-	-
Title II Part A		0.00%	-	-
Restricted Federal Resources Total	<u>-</u>	<u>0.00%</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 1,934,683</u>	<u>100.00%</u>	<u>\$ 1,932,393</u>	<u>\$ 2,290</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
<u>Districtwide</u>					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 1,279,359	\$ 355,652	\$ 1,635,011	\$ 1,635,011	\$ -
Grades 1 - 5	5,085,727	260,542	5,347,269	5,347,269	-
Grades 6 - 8	2,299,732	(198,771)	2,100,961	2,095,335	5,626
Grades 9 - 12	3,429,515	(282,701)	3,146,814	3,144,326	2,488
Total	<u>12,095,333</u>	<u>134,722</u>	<u>12,230,055</u>	<u>12,221,941</u>	<u>8,114</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional Educational Services	1,780	6,511	8,291	8,001	290
Purchased Technical Services	251	(251)	-	-	-
Other Purchased Services	1,460	(1,311)	149	149	-
General Supplies	855,706	(100,410)	755,296	677,826	77,470
Textbooks	63,917	(16,656)	47,261	45,269	1,992
Other Objects	16,820	872	17,692	10,762	6,930
Total	<u>939,934</u>	<u>(111,245)</u>	<u>828,689</u>	<u>742,007</u>	<u>86,682</u>
Total Regular Programs - Instruction	<u>13,035,267</u>	<u>23,477</u>	<u>13,058,744</u>	<u>12,963,948</u>	<u>94,796</u>
Special Education - Instruction					
Cognitive - Moderate					
Salaries of Teachers	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional Educational Services	-	-	-	-	-
Other Purchased Services	800	(800)	-	-	-
General Supplies	2,000	(1,770)	230	230	-
Textbooks	-	-	-	-	-
Total Cognitive - Moderate	<u>2,800</u>	<u>(2,570)</u>	<u>230</u>	<u>230</u>	<u>-</u>
Learning and/or Disabilities					
Salaries of Teachers	170,717	140	170,857	170,857	-
Other Salaries for Instructions	-	-	-	-	-
Purchased Professional Educational Services	-	-	-	-	-
Other Purchased Services	350	(350)	-	-	-
General Supplies	1,000	(108)	892	892	-
Textbooks	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>172,067</u>	<u>(318)</u>	<u>171,749</u>	<u>171,749</u>	<u>-</u>
Multiple Disabilities					
Salaries of Teachers	594,794	561	595,355	595,355	-
Other Salaries for Instruction	57,989	40	58,029	58,029	-
Purchased Professional Educational Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
General Supplies	2,000	24	2,024	2,024	-
Textbooks	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>654,783</u>	<u>625</u>	<u>655,408</u>	<u>655,408</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES-					
<u>Districtwide</u>					
Resource Room					
Salaries of Teachers	\$ 1,969,710	\$ (10,934)	\$ 1,958,776	\$ 1,958,706	\$ 70
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional Educational Services	-	-	-	-	-
Purchased Technical Services	850	(850)	-	-	-
Other Purchased Services	-	-	-	-	-
General Supplies	5,300	(3,588)	1,712	1,712	-
Textbooks	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>1,975,860</u>	<u>(15,372)</u>	<u>1,960,488</u>	<u>1,960,418</u>	<u>70</u>
Preschool Disabilities - Full-Time					
Salaries of Teachers	-	-	-	-	-
Other Salaries for Instruction	488,471	(45,251)	443,220	443,220	-
Other Purchased Services	1,000	(1,000)	-	-	-
General Supplies	10,000	(4,124)	5,876	5,845	31
Total	<u>499,471</u>	<u>(50,375)</u>	<u>449,096</u>	<u>449,065</u>	<u>31</u>
Total Special Education - Instruction	<u>3,304,981</u>	<u>(68,010)</u>	<u>3,236,971</u>	<u>3,236,870</u>	<u>101</u>
School Sponsored Co/Extracurricular Activities					
Salaries	343,136	171,946	515,082	442,877	72,205
Purchased Services	4,119	5,276	9,395	8,501	894
Supplies and Materials	38,515	(500)	38,015	36,324	1,691
Other Objects	35,800	13,326	49,126	48,951	175
Total	<u>421,570</u>	<u>190,048</u>	<u>611,618</u>	<u>536,653</u>	<u>74,965</u>
School Sponsored Athletics					
Salaries	500,114	12,072	512,186	472,185	40,001
Purchased Services	131,467	(562)	130,905	78,956	51,949
Supplies and Materials	136,776	(9,372)	127,404	127,400	4
Other Objects	9,755	(2,506)	7,249	7,249	-
Total	<u>778,112</u>	<u>(368)</u>	<u>777,744</u>	<u>685,790</u>	<u>91,954</u>
Other Instructional Programs- Summer					
Salaries	-	58,448	58,448	56,753	1,695
Purchased Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>-</u>	<u>58,448</u>	<u>58,448</u>	<u>56,753</u>	<u>1,695</u>
Total Instruction	<u>17,539,930</u>	<u>203,595</u>	<u>17,743,525</u>	<u>17,480,014</u>	<u>263,511</u>
Attendance and Social Work					
Salaries	344,761	(62,241)	282,520	281,840	680
Other Purchased Services	-	-	-	-	-
Supplies and Materials	1,015	(1,015)	-	-	-
Other Objects	-	-	-	-	-
Total	<u>345,776</u>	<u>(63,256)</u>	<u>282,520</u>	<u>281,840</u>	<u>680</u>
Health Services					
Salaries	368,906	45,830	414,736	414,585	151
Purchased Professional and Technical Services	300	1,924	2,224	1,980	244
Purchased Professional Educational Services	-	-	-	-	-
Other Purchased Services	100	(68)	32	32	-
Supplies and Materials	18,943	(4,899)	14,044	14,040	4
Other Objects	-	-	-	-	-
Total	<u>388,249</u>	<u>42,787</u>	<u>431,036</u>	<u>430,637</u>	<u>399</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
<u>Districtwide</u>					
Guidance					
Salaries of Other Professional Staff	\$ 531,284	\$ (9,868)	\$ 521,416	\$ 521,416	\$ -
Salaries of Secretarial and Clerical Assistants	61,745	(5)	61,740	60,844	896
Other Salaries	-	-	-	-	-
Purchased Professional Educational Services	3,000	1,091	4,091	4,091	-
Other Purchased Technical Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Supplies and Materials	9,000	(4,408)	4,592	4,592	-
Other Objects	60,075	(20,598)	39,477	39,477	-
Total	<u>665,104</u>	<u>(33,788)</u>	<u>631,316</u>	<u>630,420</u>	<u>896</u>
Improvement of Instructional Services					
Salaries Supervisors of Instruction	53,995	(42,746)	11,249	11,249	-
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Purchased Professional Educational Services	13,100	(13,100)	-	-	-
Other Purch. Prof. and Tech. Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>67,095</u>	<u>(55,846)</u>	<u>11,249</u>	<u>11,249</u>	<u>-</u>
Educational Media/School Library					
Salaries	164,416	(61,597)	102,819	98,711	4,108
Purchased Professional Educational Services	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Other Purchased Services	10,000	(10,000)	-	-	-
Supplies and Materials	33,100	(1,482)	31,618	31,618	-
Other Objects	1,300	(1,205)	95	95	-
Total	<u>208,816</u>	<u>(74,284)</u>	<u>134,532</u>	<u>130,424</u>	<u>4,108</u>
Instructional Staff Training Services					
Purchased Professional Educational Services	6,000	(3,627)	2,373	2,373	-
Other Purchased Prof. and Tech. Services	-	-	-	-	-
Other Purchased Services	29,540	(3,665)	25,875	24,830	1,045
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>35,540</u>	<u>(7,292)</u>	<u>28,248</u>	<u>27,203</u>	<u>1,045</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	1,134,066	(59,705)	1,074,361	1,074,361	-
Salaries of Other Professional Staff	46,168	(46,168)	-	-	-
Salaries of Sect and Clerical Assistants	265,677	118,128	383,805	383,243	562
Purchased Professional and Technical Services	-	-	-	-	-
Other Salaries	-	-	-	-	-
Other Purchased Services	920	(920)	-	-	-
Supplies and Materials	124,504	4,948	129,452	125,042	4,410
Other Objects	7,500	(1,173)	6,327	6,292	35
Total	<u>1,578,835</u>	<u>15,110</u>	<u>1,593,945</u>	<u>1,588,938</u>	<u>5,007</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
<i>Districtwide</i>					
Custodial Services					
Salaries of Non-Instructional Aides	\$ 9,662	\$ (8,486)	\$ 1,176	\$ 1,176	\$ -
Supplies and Materials	10,000	(4,328)	5,672	5,672	-
Total	<u>19,662</u>	<u>(12,814)</u>	<u>6,848</u>	<u>6,848</u>	<u>-</u>
Security					
Salaries	-	-	-	-	-
Cleaning, Repair & Maintenance Svcs.	-	-	-	-	-
General Supplies	4,515	(2,486)	2,029	2,029	-
Total	<u>4,515</u>	<u>(2,486)</u>	<u>2,029</u>	<u>2,029</u>	<u>-</u>
Student Transportation Services					
Contracted Services (Other than Between Home & School) - Vendors	45,312	19,824	65,136	60,645	4,491
Total	<u>45,312</u>	<u>19,824</u>	<u>65,136</u>	<u>60,645</u>	<u>4,491</u>
Unallocated Employee Benefits					
Social Security Contributions	232,947	(40,900)	192,047	192,047	-
Unemployment Compensation	59,759	(1,012)	58,747	58,747	-
Health Benefits	4,703,304	(1,350)	4,701,954	4,701,854	100
Unused Sick Payments to Terminated Employees	315,072	21,396	336,468	317,788	18,680
Total	<u>5,311,082</u>	<u>(21,866)</u>	<u>5,289,216</u>	<u>5,270,436</u>	<u>18,780</u>
Total Undistributed Expenditures	<u>8,669,986</u>	<u>(193,911)</u>	<u>8,476,075</u>	<u>8,440,669</u>	<u>35,406</u>
Total School Based Budget Current Expense	<u>26,209,916</u>	<u>9,684</u>	<u>26,219,600</u>	<u>25,920,683</u>	<u>298,917</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>26,209,916</u>	<u>9,684</u>	<u>26,219,600</u>	<u>25,920,683</u>	<u>298,917</u>
Other Financing Sources:					
Operating Transfer In	26,209,916	9,684	26,219,600	25,920,683	298,917
Total Other Financing Sources:	<u>26,209,916</u>	<u>9,684</u>	<u>26,219,600</u>	<u>25,920,683</u>	<u>298,917</u>
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)					
	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Middle School					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten					
Grades 1 - 5					
Grades 6 - 8	\$ 1,183,993	\$ (84,420)	\$ 1,099,573	\$ 1,093,947	\$ 5,626
Grades 9 - 12					
Grades 9-12 Equipment					
Total	<u>1,183,993</u>	<u>(84,420)</u>	<u>1,099,573</u>	<u>1,093,947</u>	<u>5,626</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction					
Purchase Professional Educational Services					
Purchase Technical Services					
Other Purchased Services					
General Supplies	47,353	14,696	62,049	54,291	7,758
Textbooks	6,885	(4,678)	2,207	1,231	976
Other Objects					
Total	<u>54,238</u>	<u>10,018</u>	<u>64,256</u>	<u>55,522</u>	<u>8,734</u>
Total Regular Programs - Instruction	<u>1,238,231</u>	<u>(74,402)</u>	<u>1,163,829</u>	<u>1,149,469</u>	<u>14,360</u>
Special Education - Instruction					
Resource Room					
Salaries of Teachers	290,567	(112,984)	177,583	177,583	-
Other Salaries for Instruction					
Purchase Professional Education Services					
Purchased Technical Services					
Other Purchased Services					
General Supplies	2,000	(2,000)	-	-	-
Textbooks					
Other Objects					
Total	<u>292,567</u>	<u>(114,984)</u>	<u>177,583</u>	<u>177,583</u>	<u>-</u>
Total Special Education - Instruction	<u>292,567</u>	<u>(114,984)</u>	<u>177,583</u>	<u>177,583</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Middle School					
School Sponsored Cocurricular Activities					
Salaries	\$ 20,878	\$ 36,360	\$ 57,238	\$ 57,238	\$ -
Other Purchased Services					
Supplies and Materials	500	(500)	-	-	-
Other Objects	-	-	-	-	-
Total	<u>21,378</u>	<u>35,860</u>	<u>57,238</u>	<u>57,238</u>	<u>-</u>
School Sponsored Athletics - Instruction					
Salaries	6,327	(6,327)			
Other Purchased Services					
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>6,327</u>	<u>(6,327)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Instructional Programs- Summer					
Salaries		8,383	8,383	8,383	
Purchased Services		-	-	-	
Other Objects	-	-	-	-	-
Total	<u>-</u>	<u>8,383</u>	<u>8,383</u>	<u>8,383</u>	<u>-</u>
Total Instruction	<u>1,558,503</u>	<u>(151,470)</u>	<u>1,407,033</u>	<u>1,392,673</u>	<u>14,360</u>
Attendance and Social Work					
Salaries	14,000	27,335	41,335	41,052	283
Other Purchased Services					
Supplies and Materials	250	(250)	-	-	-
Other Objects	-	-	-	-	-
Total	<u>14,250</u>	<u>27,085</u>	<u>41,335</u>	<u>41,052</u>	<u>283</u>
Health Services					
Salaries		32,314	32,314	32,314	-
Purchased Professional and Technical Services					
Other Purchased Services		-	-	-	-
Supplies and Materials	2,295	(727)	1,568	1,568	-
Other Objects	-	-	-	-	-
Total	<u>2,295</u>	<u>31,587</u>	<u>33,882</u>	<u>33,882</u>	<u>-</u>
Guidance					
Salaries of Other Professional Staff	64,270	(4,016)	60,254	60,254	-
Salaries of Secretarial and Clerical					
Other Salaries					
Purchased Professional Educational Services	250	(250)	-	-	-
Other Purchased Technical Services					
Other Purchased Services		-	-	-	-
Supplies and Materials	2,000	(2,000)	-	-	-
Other Objects	8,375	(8,174)	201	201	-
Total	<u>74,895</u>	<u>(14,440)</u>	<u>60,455</u>	<u>60,455</u>	<u>-</u>
Educational Media/School Library					
Salaries		-			-
Purchased Professional Educational Services					
Purchased Professional and Technical Services		-			-
Other Purchased Services	10,000	(10,000)			
Supplies and Materials	5,100	(4,938)	162	162	
Other Objects	-	-	-	-	-
Total	<u>15,100</u>	<u>(14,938)</u>	<u>162</u>	<u>162</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Middle School					
Instructional Staff Training Services					
Purchased Professional Educational Services					
Other Purchased Prof. and Tech. Services					
Other Purchased Services		\$ 1,208	\$ 1,208	\$ 1,192	\$ 16
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	-	1,208	1,208	1,192	16
Support Service - School Administration					
Salaries of Principals/Assistant Principals					
\$ 125,000	31,006	156,006	156,006	-	-
Salaries of Other Professional Staff					
46,168	(46,168)	34,641	34,079	562	-
Salaries of Sec't and Clerical Assistants					
	-	-	-	-	-
Purchased Professional and Educational Services					
	-	-	-	-	-
Other Salaries					
	-	-	-	-	-
Other Purchased Services					
	-	-	-	-	-
Supplies and Materials					
16,257	8,480	24,737	23,645	1,092	-
Other Objects					
-	-	-	-	-	-
Total	187,425	27,959	215,384	213,730	1,654
Student Transportation Services					
Contracted Services (Other than Between Home & School) -					
Vendors					
5,865	(1,455)	4,410	3,041	1,369	-
Total	5,865	(1,455)	4,410	3,041	1,369
Unallocated Employee Benefits					
Social Security					
31,750	-	31,750	31,750	-	-
Unemployment Compensation					
5,795	-	5,795	5,795	-	-
Health Benefits					
506,489	(1,350)	505,139	505,139	-	-
Unused Sick Payment to Terminated/Retired Staff					
25,000	(8,473)	16,527	-	16,527	-
Total	569,034	(9,823)	559,211	542,684	16,527
Total Undistributed Expenditures	868,864	47,183	916,047	896,198	19,849
Total School Based Budget Current Expense	2,427,367	(104,287)	2,323,080	2,288,871	34,209
Capital Outlay					
Equipment					
Total Capital Outlay					
-	-	-	-	-	-
TOTAL SCHOOL BASED EXPENDITURES	2,427,367	(104,287)	2,323,080	2,288,871	34,209
Other Financing Sources:					
Operating Transfer In					
2,427,367	(104,287)	2,323,080	2,288,871	34,209	-
Total Other Financing Sources:	2,427,367	(104,287)	2,323,080	2,288,871	34,209
Excess (Deficiency) of Other Financing Sources Over					
(Under) Expenditures and Other Financing (Uses)					
-	-	-	-	-	-
Fund Balance, Beginning of Year					
-	-	-	-	-	-
Fund Balance, End of Year					
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
<u>Hoboken High School</u>					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten					-
Grades 1 - 5					-
Grades 6 - 8					-
Grades 9 - 12	\$ 3,429,515	\$ (282,701)	\$ 3,146,814	\$ 3,144,326	\$ 2,488
Total	<u>3,429,515</u>	<u>(282,701)</u>	<u>3,146,814</u>	<u>3,144,326</u>	<u>2,488</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		-			-
Purchased Professional Educational Services		5,995	5,995	5,995	-
Purchased Technical Services		-			-
Other Purchased Services		-			-
General Supplies	306,776	7,815	314,591	246,639	67,952
Textbooks	19,000	(4,388)	14,612	13,596	1,016
Other Objects	600	3,107	3,707	2,134	1,573
Total	<u>326,376</u>	<u>12,529</u>	<u>338,905</u>	<u>268,364</u>	<u>70,541</u>
Total Regular Programs - Instruction	<u>3,755,891</u>	<u>(270,172)</u>	<u>3,485,719</u>	<u>3,412,690</u>	<u>73,029</u>
Special Education - Instruction					
Resource Room/ Resource Center					
Salaries of Teachers	809,534	(100,467)	709,067	709,067	-
Other Salaries for Instruction		-			-
Purchased Professional Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total	<u>809,534</u>	<u>(100,467)</u>	<u>709,067</u>	<u>709,067</u>	<u>-</u>
Total Special Education - Instruction	<u>809,534</u>	<u>(100,467)</u>	<u>709,067</u>	<u>709,067</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Hoboken High School					
School Sponsored Co/Extracurricular Activities					
Salaries	\$ 229,875	\$ (11,440)	\$ 218,435	\$ 146,230	\$ 72,205
Purchased Services	3,225	5,276	8,501	8,501	
Supplies and Materials	38,015	-	38,015	36,324	1,691
Other Objects	35,800	13,326	49,126	48,951	175
Total	<u>306,915</u>	<u>7,162</u>	<u>314,077</u>	<u>240,006</u>	<u>74,071</u>
School Sponsored Athletics					
Salaries	493,787	18,399	512,186	472,185	40,001
Purchased Services	131,467	(562)	130,905	78,956	51,949
Supplies and Materials	136,776	(9,372)	127,404	127,400	4
Other Objects	9,755	(2,506)	7,249	7,249	-
Total	<u>771,785</u>	<u>5,959</u>	<u>777,744</u>	<u>685,790</u>	<u>91,954</u>
Other Instructional Programs- Summer					
Salaries		31,847	31,847	30,152	1,695
Other Objects	-	-	-	-	-
Total	<u>-</u>	<u>31,847</u>	<u>31,847</u>	<u>30,152</u>	<u>1,695</u>
Total Instruction	<u>5,644,125</u>	<u>(325,671)</u>	<u>5,318,454</u>	<u>5,077,705</u>	<u>240,749</u>
Attendance and Social Work					
Salaries	61,445	(171)	61,274	61,189	85
Other Purchased Services		-			-
Supplies and Materials	765	(765)	-	-	-
Other Objects	-	-	-	-	-
Total	<u>62,210</u>	<u>(936)</u>	<u>61,274</u>	<u>61,189</u>	<u>85</u>
Health Services					
Salaries	96,087	6,551	102,638	102,638	-
Purchased Professional and Technical Services			2,000	1,756	244
Other Purchased Services		-			-
Supplies and Materials	8,234	(1,013)	7,221	7,217	4
Other Objects	-	-	-	-	-
Total	<u>104,321</u>	<u>7,538</u>	<u>111,859</u>	<u>111,611</u>	<u>248</u>
Guidance					
Salaries of Other Professional Staff	294,834	94,658	389,492	389,492	-
Salaries of Secretarial and Clerical Assistants	61,745	(5)	61,740	60,844	896
Other Salaries		-			-
Purchased Professional Educational Services	750	3,341	4,091	4,091	-
Supplies and Materials	6,000	(1,809)	4,191	4,191	-
Other Objects	50,000	(11,058)	38,942	38,942	-
Total	<u>413,329</u>	<u>85,127</u>	<u>498,456</u>	<u>497,560</u>	<u>896</u>
Improvement of Instructional Services					
Salaries Supervisors of Instruction	53,995	(42,746)	11,249	11,249	-
Other Objects	-	-	-	-	-
Total	<u>53,995</u>	<u>(42,746)</u>	<u>11,249</u>	<u>11,249</u>	<u>-</u>
Educational Media/School Library					
Salaries	104,839	(2,020)	102,819	98,711	4,108
Purchased Professional Educational Services		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services		-			-
Supplies and Materials	25,000	2,735	27,735	27,735	-
Other Objects	-	-	-	-	-
Total	<u>129,839</u>	<u>715</u>	<u>130,554</u>	<u>126,446</u>	<u>4,108</u>

**HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Hoboken High School					
Instructional Staff Training Services					
Purchased Professional Educational Services					
Other Purchased Prof. and Tech. Services					
Other Purchased Services	\$ 18,000	\$ 2,139	\$ 20,139	\$ 19,371	\$ 768
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>18,000</u>	<u>2,139</u>	<u>20,139</u>	<u>19,371</u>	<u>768</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	285,699	7,306	293,005	293,005	-
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Sect and Clerical Assistants	53,995	709	54,704	54,704	-
Purchased Professional and Technical Services	-	-	-	-	-
Other Salaries	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Supplies and Materials	56,450	11,976	68,426	68,011	415
Other Objects	-	1,843	1,843	1,808	35
Total	<u>396,144</u>	<u>21,834</u>	<u>417,978</u>	<u>417,528</u>	<u>450</u>
Security					
Salaries	-	-	-	-	-
General Supplies	3,500	(2,485)	1,015	1,015	-
Total	<u>3,500</u>	<u>(2,485)</u>	<u>1,015</u>	<u>1,015</u>	<u>-</u>
Student Transportation Services					
Contracted Services (Other than Between Home & School) -					
Vendors	21,875	12,459	34,334	32,043	2,291
Total	<u>21,875</u>	<u>12,459</u>	<u>34,334</u>	<u>32,043</u>	<u>2,291</u>
Unallocated Employee Benefits					
Social Security Contributions	95,250	(5,000)	90,250	90,250	-
Unemployment Compensation	23,180	-	23,180	23,180	-
Health Benefits	1,037,778	-	1,037,778	1,037,778	-
Unused Sick Payments to Terminated Employees	92,566	-	92,566	90,413	2,153
Total	<u>1,248,774</u>	<u>(5,000)</u>	<u>1,243,774</u>	<u>1,241,621</u>	<u>2,153</u>
Total Undistributed Expenditures	<u>2,451,987</u>	<u>78,645</u>	<u>2,530,632</u>	<u>2,519,633</u>	<u>10,999</u>
Total School Based Budget Current Expense	<u>8,096,112</u>	<u>(247,026)</u>	<u>7,849,086</u>	<u>7,597,338</u>	<u>251,748</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>8,096,112</u>	<u>(247,026)</u>	<u>7,849,086</u>	<u>7,597,338</u>	<u>251,748</u>
Other Financing Sources:					
Operating Transfer In	8,096,112	(247,026)	7,849,086	7,597,338	251,748
Total Other Financing Sources:	<u>8,096,112</u>	<u>(247,026)</u>	<u>7,849,086</u>	<u>7,597,338</u>	<u>251,748</u>
Excess (Deficiency) of Other Financing Sources Over					
(Under) Expenditures and Other Financing (Uses)					
	-	-	-	-	-
Fund Balance , Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
School - Wallace					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 368,709	\$ 52,696	\$ 421,405	\$ 421,405	\$ -
Grades 1 - 5	2,934,310	(1,338)	2,932,972	2,932,972	-
Grades 6 - 8	644,517	(149,258)	495,259	495,259	-
Grades 9 - 12	-	-	-	-	-
Total	<u>3,947,536</u>	<u>(97,900)</u>	<u>3,849,636</u>	<u>3,849,636</u>	<u>-</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		-			-
Purchased Professional Educational Services		267	267	267	-
Purchased Technical Services		-			-
Other Purchased Services	440	(440)	-	-	-
General Supplies	201,800	(23,553)	178,247	178,082	165
Textbooks	10,000	(4,782)	5,218	5,218	-
Other Objects	8,500	(8,500)	-	-	-
Total	<u>220,740</u>	<u>(37,008)</u>	<u>183,732</u>	<u>183,567</u>	<u>165</u>
Total Regular Programs - Instruction	<u>4,168,276</u>	<u>(134,908)</u>	<u>4,033,368</u>	<u>4,033,203</u>	<u>165</u>
Special Education - Instruction					
Cognitive - Moderate					
Salaries of Teachers					
Other Salaries for Instruction		-			-
Purchased Professional Educational Services		-			-
Other Purchased Services	800	(800)	-	-	-
General Supplies	2,000	(1,770)	230	230	-
Textbooks	-	-	-	-	-
Total Cognitive - Moderate	<u>2,800</u>	<u>(2,570)</u>	<u>230</u>	<u>230</u>	<u>-</u>
Learning and/or Disabilities					
Salaries of Teachers					
Other Salaries for Instruction	170,717	140	170,857	170,857	-
Purchased Professional Educational Services		-			-
Other Purchased Services	350	(350)	-	-	-
General Supplies	1,000	(108)	892	892	-
Textbooks	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>172,067</u>	<u>(318)</u>	<u>171,749</u>	<u>171,749</u>	<u>-</u>
Multiple Disabilities					
Salaries of Teachers					
Other Salaries for Instruction	488,435	561	488,996	488,996	-
Purchased Professional Educational Services		-			-
Other Purchased Services		-			-
General Supplies		821	821	821	-
Textbooks		-			-
Other Objects		-			-
Total	<u>488,435</u>	<u>1,382</u>	<u>489,817</u>	<u>489,817</u>	<u>-</u>
Resource Room/ Resource Center					
Salaries of Teachers					
Other Salaries for Instruction	584,976	139,445	724,421	724,421	-
Purchased Professional Education Services		-			-
Purchased Technical Services	850	(850)	-	-	-
Other Purchased Services		-			-
General Supplies	2,300	(892)	1,408	1,408	-
Textbooks		-			-
Other Objects		-			-
Total	<u>588,126</u>	<u>137,703</u>	<u>725,829</u>	<u>725,829</u>	<u>-</u>
Autism:					
General Supplies					
	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
<u>School - Wallace</u>					
Preschool Disabilities - Full-Time					
Salaries of Teachers					
Other Salaries for Instruction	\$ 488,471	\$ (45,251)	\$ 443,220	\$ 443,220	
Other Purchased Services	1,000	(1,000)			
General Supplies	10,000	(4,124)	5,876	5,845	\$ 31
Total	<u>499,471</u>	<u>(50,375)</u>	<u>449,096</u>	<u>449,065</u>	<u>31</u>
Total Special Education - Instruction	<u>1,750,899</u>	<u>85,822</u>	<u>1,836,721</u>	<u>\$ 1,836,690</u>	<u>31</u>
School Sponsored Co/Extracurricular Activities					
Salaries	42,000	98,338	140,338	140,338	-
Other Purchased Services					
Supplies and Materials					
Other Objects	-	-	-	-	-
Total	<u>42,000</u>	<u>98,338</u>	<u>140,338</u>	<u>140,338</u>	<u>-</u>
Other Instructional Programs-Summer					
Salaries	-	12,334	12,334	12,334	-
Total	<u>-</u>	<u>12,334</u>	<u>12,334</u>	<u>12,334</u>	<u>-</u>
Total Instruction	<u>5,961,175</u>	<u>61,586</u>	<u>6,022,761</u>	<u>6,022,565</u>	<u>196</u>
Attendance and Social Work					
Salaries	59,895	(44,759)	15,136	15,136	-
Other Purchased Services		-			-
Supplies and Materials		-			-
Other Objects	-	-	-	-	-
Total	<u>59,895</u>	<u>(44,759)</u>	<u>15,136</u>	<u>15,136</u>	<u>-</u>
Health Services					
Salaries	111,537	6,815	118,352	118,201	151
Purchased Professional and Technical Services					
Other Purchased Services		-			-
Supplies and Materials		769	769	769	-
Other Objects	-	-	-	-	-
Total	<u>111,537</u>	<u>7,584</u>	<u>119,121</u>	<u>118,970</u>	<u>151</u>
Guidance					
Salaries of Other Professional Staff	172,180	(100,510)	71,670	71,670	-
Salaries of Secretarial and Clerical		-			-
Other Salaries					
Purchased Professional Educational Services	2,000	(2,000)	-	-	-
Other Purchased Technical Services					
Other Purchased Services					
Supplies and Materials		-			-
Other Objects	-	-	-	-	-
Total	<u>174,180</u>	<u>(102,510)</u>	<u>71,670</u>	<u>71,670</u>	<u>-</u>
Improvement of Instructional Services					
Salaries Supervisors of Instruction		-			-
Salaries of Other Professional Staff		-			-
Salaries of Secretarial and Clerical		-			-
Other Purchased Services		-			-
Purchased Professional Educational Services	600	(600)	-	-	-
Other Purch. Prof. and Tech. Services		-			-
Supplies and Materials					
Other Objects	-	-	-	-	-
Total	<u>600</u>	<u>(600)</u>	<u>-</u>	<u>-</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
School - Wallace					
Educational Media/School Library					
Salaries	\$ 59,577	\$ (59,577)			
Purchased Professional Educational Services					
Purchased Professional and Technical Services		-			
Other Purchased Services		-			
Supplies and Materials	2,000	1,654	\$ 3,654	\$ 3,654	
Other Objects		-			
Total	61,577	(57,923)	3,654	3,654	-
Instructional Staff Training Services					
Purchased Professional Educational Services	3,000	(3,000)	-		
Other Purchased Prof. and Tech. Services		-			
Other Purchased Services	5,000	(3,303)	1,697	1,455	\$ 242
Supplies and Materials		-			
Other Objects		-			
Total	8,000	(6,303)	1,697	1,455	242
Support Service - School Administration					
Salaries of Principals/Assistant Principals	268,834	3,619	272,453	272,453	-
Salaries of Other Professional Staff					
Salaries of Sect and Clerical Assistants	61,445	45,408	106,853	106,853	-
Purchased Professional and Technical Services		-			
Other Salaries					
Other Purchased Services		-			
Supplies and Materials	20,000	(10,069)	9,931	8,402	1,529
Other Objects	3,300	(1,695)	1,605	1,605	-
Total	353,579	37,263	390,842	389,313	1,529
Custodial Services					
Salaries of Non-Instructional Aides	9,662	(8,486)	1,176	1,176	-
Supplies and Materials		-			
Total	9,662	(8,486)	1,176	1,176	-
Security					
Salaries					
General Supplies	1,015	(1)	1,014	1,014	-
Total	1,015	(1)	1,014	1,014	-
Student Transportation Services					
Contracted Services (Other than Between Home & School) - Vendors	10,000	4,800	14,800	14,800	-
Total	10,000	4,800	14,800	14,800	-
Unallocated Employee Benefits					
Social Security Contributions	68,248	(35,000)	33,248	33,248	-
Unemployment Compensation	16,624	(1,012)	15,612	15,612	-
Health Benefits	1,393,710	-	1,393,710	1,393,710	-
Unused Sick Payment to Terminated Employees	100,921	34,869	135,790	135,790	-
Total	1,579,503	(1,143)	1,578,360	1,578,360	-
Total Undistributed Expenditures	2,369,548	(172,078)	2,197,470	2,195,548	1,922
Total School Based Budget Current Expense	8,330,723	(110,492)	8,220,231	8,218,113	2,118
TOTAL SCHOOL BASED EXPENDITURES	8,330,723	(110,492)	8,220,231	8,218,113	2,118
Other Financing Sources:					
Operating Transfer In	8,330,723	(110,492)	8,220,231	8,218,113	2,118
Total Other Financing Sources:	\$ 8,330,723	\$ (110,492)	\$ 8,220,231	\$ 8,218,113	\$ 2,118
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
School - Connors					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 204,521	\$ 162,728	\$ 367,249	\$ 367,249	\$ -
Grades 1 - 5	1,516,444	22,415	1,538,859	1,538,859	-
Grades 6 - 8	230,146	33,144	263,290	263,290	-
Grades 9 - 12	-	-	-	-	-
Total	<u>1,951,111</u>	<u>218,287</u>	<u>2,169,398</u>	<u>2,169,398</u>	<u>-</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		-			-
Purchased Professional Educational Services		267	267	267	-
Purchased Technical Services		-			-
Other Purchased Services		-			-
General Supplies	101,087	(22,453)	78,634	78,634	-
Textbooks	10,332	2,947	13,279	13,279	-
Other Objects	6,900	2,558	9,458	6,945	2,513
Total	<u>118,319</u>	<u>(16,681)</u>	<u>101,638</u>	<u>99,125</u>	<u>2,513</u>
Total Regular Programs - Instruction	<u>2,069,430</u>	<u>201,606</u>	<u>2,271,036</u>	<u>2,268,523</u>	<u>2,513</u>
Special Education - Instruction					
Multiple Disabilities					
Salaries of Teachers	106,359	-	106,359	106,359	-
Other Salaries for Instruction		-			-
Purchased Professional Educational Services		-			-
Other Purchased Services		-			-
General Supplies	2,000	(797)	1,203	1,203	-
Textbooks		-			-
Other Objects	-	-	-	-	-
Total	<u>108,359</u>	<u>(797)</u>	<u>107,562</u>	<u>107,562</u>	<u>-</u>
Resource Room/ Resource Center					
Salaries of Teachers	204,519	94,246	298,765	298,765	-
Other Salaries for Instruction		-			-
Purchased Professional Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services		-			-
General Supplies	1,000	(696)	304	304	-
Textbooks		-			-
Other Objects	-	-	-	-	-
Total	<u>205,519</u>	<u>93,550</u>	<u>299,069</u>	<u>299,069</u>	<u>-</u>
Total Special Education - Instruction	<u>313,878</u>	<u>92,753</u>	<u>406,631</u>	<u>406,631</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
School - Commors					
School Sponsored Co/Extracurricular Activities					
Salaries	\$ 30,562	\$ 18,577	\$ 49,139	\$ 49,139	\$ -
Purchased Services					
Supplies and Materials					
Other Objects	-	-	-	-	-
Total	<u>30,562</u>	<u>18,577</u>	<u>49,139</u>	<u>49,139</u>	<u>-</u>
Other Instructional Programs					
Salaries	-	1,941	1,941	1,941	-
Total	<u>-</u>	<u>1,941</u>	<u>1,941</u>	<u>1,941</u>	<u>-</u>
Total Instruction	<u>2,413,870</u>	<u>314,877</u>	<u>2,728,747</u>	<u>2,726,234</u>	<u>2,513</u>
Attendance and Social Work					
Salaries	111,195	(14,724)	96,471	96,471	-
Other Purchased Services					
Supplies and Materials					
Other Objects	-	-	-	-	-
Total	<u>111,195</u>	<u>(14,724)</u>	<u>96,471</u>	<u>96,471</u>	<u>-</u>
Health Services					
Salaries	65,195	-	65,195	65,195	-
Purchased Professional and Technical Services	300	(76)	224	224	-
Other Purchased Services	100	(68)	32	32	-
Supplies and Materials	3,300	(288)	3,012	3,012	-
Other Objects	-	-	-	-	-
Total	<u>68,895</u>	<u>(432)</u>	<u>68,463</u>	<u>68,463</u>	<u>-</u>
Guidance					
Salaries of Other Professional Staff		-			-
Salaries of Secretarial and Clerical Assistants					
Other Salaries					
Purchased Professional Educational Services					
Other Purchased Technical Services					
Other Purchased Services		-			-
Supplies and Materials	1,000	(599)	401	401	-
Other Objects	1,700	(1,366)	334	334	-
Total	<u>2,700</u>	<u>(1,965)</u>	<u>735</u>	<u>735</u>	<u>-</u>
Improvement of Instructional Services					
Salaries Supervisors of Instruction		-			-
Salaries of Other Professional Staff		-			-
Salaries of Secretarial and Clerical Assistants		-			-
Other Purchased Services					
Purchased Professional Educational Services	12,500	(12,500)			-
Other Purch. Prof. and Tech. Services					
Supplies and Materials					
Other Objects	-	-	-	-	-
Total	<u>12,500</u>	<u>(12,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Educational Media/School Library					
Salaries	-	-	-	-	-
Purchased Professional Educational Services					
Purchased Professional and Technical Services					
Other Purchased Services					
Supplies and Materials					
Other Objects	1,300	(1,205)	95	95	-
Total	<u>1,300</u>	<u>(1,205)</u>	<u>95</u>	<u>95</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
School - Commers					
Instructional Staff Training Services					
Purchased Professional Educational Services	\$ 3,000	\$ (627)	\$ 2,373	\$ 2,373	\$ -
Other Purchased Prof. and Tech. Services		-			-
Other Purchased Services	4,500	(4,039)	461	461	-
Supplies and Materials					-
Other Objects	-	-	-	-	-
Total	<u>7,500</u>	<u>(4,666)</u>	<u>2,834</u>	<u>2,834</u>	<u>-</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	251,299	(96,084)	155,215	155,215	-
Salaries of Other Professional Staff		-			-
Salaries of Sec't and Clerical Assistants	105,066	18,062	123,128	123,128	-
Purchased Professional and Technical Services		-			-
Other Salaries		-			-
Other Purchased Services		-			-
Supplies and Materials	26,297	(8,869)	17,428	17,428	-
Other Objects	4,000	(1,253)	2,747	2,747	-
Total	<u>386,662</u>	<u>(88,144)</u>	<u>298,518</u>	<u>298,518</u>	<u>-</u>
Student Transportation Services					
Contracted Services (Other than Between Home & School) - Vendors					
	2,707	1,500	4,207	4,207	-
Total	<u>2,707</u>	<u>1,500</u>	<u>4,207</u>	<u>4,207</u>	<u>-</u>
Unallocated Employee Benefits					
Social Security Contributions	18,633	(900)	17,733	17,733	-
Unemployment Compensation	9,600	-	9,600	9,600	-
Health Benefits	759,592	-	759,592	759,592	-
Unused Sick Payment to Terminated Employees	55,443	(851)	56,294	56,294	-
Total	<u>843,268</u>	<u>(49)</u>	<u>843,219</u>	<u>843,219</u>	<u>-</u>
Total Undistributed Expenditures	<u>1,436,727</u>	<u>(122,185)</u>	<u>1,314,542</u>	<u>1,314,542</u>	<u>-</u>
Total School Based Budget Current Expense	<u>3,850,597</u>	<u>192,692</u>	<u>4,043,289</u>	<u>4,040,776</u>	<u>2,513</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>3,850,597</u>	<u>192,692</u>	<u>4,043,289</u>	<u>4,040,776</u>	<u>2,513</u>
Other Financing Sources:					
Operating Transfer In	<u>3,850,597</u>	<u>192,692</u>	<u>4,043,289</u>	<u>4,040,776</u>	<u>2,513</u>
Total Other Financing Sources:	<u>3,850,597</u>	<u>192,692</u>	<u>4,043,289</u>	<u>4,040,776</u>	<u>2,513</u>
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance , Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HOBOKEN BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
<u>School - Calabro</u>					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 175,258	\$ 7,091	\$ 182,349	\$ 182,349	\$ -
Grades 1 - 5	451,657	45,790	497,447	497,447	-
Grades 6 - 8	241,076	1,763	242,839	242,839	-
Grades 9 - 12	-	-	-	-	-
Total	<u>867,991</u>	<u>54,644</u>	<u>922,635</u>	<u>922,635</u>	<u>-</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		-			-
Purchased Professional Educational Services	250	17	267	267	-
Purchased Technical Services	251	(251)	-	-	-
Other Purchased Services		-			-
General Supplies	93,290	(42,414)	50,876	49,288	1,588
Textbooks		3,652	3,652	3,652	-
Other Objects	-	1,208	1,208	-	1,208
Total	<u>93,791</u>	<u>(37,788)</u>	<u>56,003</u>	<u>53,207</u>	<u>2,796</u>
Total Regular Programs - Instruction	<u>961,782</u>	<u>16,856</u>	<u>978,638</u>	<u>975,842</u>	<u>2,796</u>
Special Education - Instruction					
Multiple Disabilities					
Salaries of Teachers	57,989	40	58,029	58,029	-
General Supplies		-			-
Textbooks	-	-	-	-	-
Total	<u>57,989</u>	<u>40</u>	<u>58,029</u>	<u>58,029</u>	<u>-</u>
Total Special Education - Instruction	<u>57,989</u>	<u>40</u>	<u>58,029</u>	<u>58,029</u>	<u>-</u>
School Sponsored Co/Extracurricular Activities					
Salaries	5,821	9,343	15,164	15,164	-
Purchased Services	894	-	894		894
Supplies and Materials		-			-
Other Objects	-	-	-	-	-
Total	<u>6,715</u>	<u>9,343</u>	<u>16,058</u>	<u>15,164</u>	<u>894</u>
Other Instructional Programs- Summer					
Salaries	-	3,235	3,235	3,235	-
Purchased Services		-			-
Other Objects	-	-	-	-	-
Total	<u>-</u>	<u>3,235</u>	<u>3,235</u>	<u>3,235</u>	<u>-</u>
Total Instruction	<u>1,026,486</u>	<u>29,474</u>	<u>1,055,960</u>	<u>1,052,270</u>	<u>3,690</u>
Attendance and Social Work					
Salaries	39,622	(18,210)	21,412	21,287	125
Total	<u>39,622</u>	<u>(18,210)</u>	<u>21,412</u>	<u>21,287</u>	<u>125</u>
Health Services					
Salaries	96,087	150	96,237	96,237	-
Purchased Professional and Technical Services		-			-
Other Purchased Services		-			-
Supplies and Materials	3,114	(1,695)	1,419	1,419	-
Other Objects	-	-	-	-	-
Total	<u>99,201</u>	<u>(1,545)</u>	<u>97,656</u>	<u>97,656</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
School - Calabro					
Educational Media/School Library					
Salaries		-			-
Purchased Professional Educational Services					
Purchased Professional and Technical Services		-			-
Other Purchased Services		-			-
Supplies and Materials	\$ 1,000	\$ (933)	\$ 67	\$ 67	\$ -
Other Objects	-	-	-	-	-
Total	<u>1,000</u>	<u>(933)</u>	<u>67</u>	<u>67</u>	<u>-</u>
Instructional Staff Training Services					
Purchased Professional Educational Services		-			-
Other Purchased Prof. and Tech. Services		-			-
Other Purchased Services		1,131	1,131	1,112	19
Supplies and Materials		-			-
Other Objects	-	-	-	-	-
Total	<u>-</u>	<u>1,131</u>	<u>1,131</u>	<u>1,112</u>	<u>19</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	147,230	3,000	150,230	150,230	-
Salaries of Other Professional Staff					
Salaries of Sec't and Clerical Assistants	45,171	15,109	60,280	60,280	-
Purchased Professional and Technical Services		-			-
Other Salaries		-			-
Other Purchased Services	500	(500)	-		-
Supplies and Materials	5,500	(2,538)	2,962	1,588	1,374
Other Objects	200	(68)	132	132	-
Total	<u>198,601</u>	<u>15,003</u>	<u>213,604</u>	<u>212,230</u>	<u>1,374</u>
Student Transportation Services					
Contracted Services (Other than Between Home & School) -					
Vendors	2,825	500	3,325	2,494	831
Total	<u>2,825</u>	<u>500</u>	<u>3,325</u>	<u>2,494</u>	<u>831</u>
Unallocated Employee Benefits					
Social Security Contributions	19,066	-	19,066	19,066	-
Unemployment Compensation	4,560	-	4,560	4,560	-
Health Benefits	409,200	-	409,200	409,200	-
Unused Sick Payment to Terminated Employees	29,101	(5,851)	23,250	23,250	-
Total	<u>461,927</u>	<u>(5,851)</u>	<u>456,076</u>	<u>456,076</u>	<u>-</u>
Total Undistributed Expenditures	<u>803,176</u>	<u>(9,905)</u>	<u>793,271</u>	<u>790,922</u>	<u>2,349</u>
Total School Based Budget Current Expense	<u>1,829,662</u>	<u>19,569</u>	<u>1,849,231</u>	<u>1,843,192</u>	<u>6,039</u>

HOBOKEN BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
		-			
<u>School - Calabro</u>					
TOTAL SCHOOL BASED EXPENDITURES	\$ 1,829,662	\$ 19,569	\$ 1,849,231	\$ 1,843,192	\$ 6,039
Other Financing Sources:					
Operating Transfer In	1,829,662	19,569	1,849,231	1,843,192	6,039
Total Other Financing Sources:	1,829,662	19,569	1,849,231	1,843,192	6,039
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance , Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

HOBOKEN BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
<u>School - Brandt</u>					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 530,871	\$ 133,137	\$ 664,008	\$ 664,008	\$ -
Grades 1 - 5	184,316	193,675	377,991	377,991	-
Grades 6 - 8	-	-	-	-	-
Grades 9 - 12	-	-	-	-	-
Total	<u>715,187</u>	<u>326,812</u>	<u>1,041,999</u>	<u>1,041,999</u>	<u>-</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction					
Purchased Professional Educational Services	1,530	(35)	1,495	1,205	290
Other Purchased Services	1,020	(871)	149	149	-
General Supplies	105,400	(34,501)	70,899	70,892	7
Textbooks	17,700	(9,407)	8,293	8,293	-
Other Objects	820	2,499	3,319	1,683	1,636
Total	<u>126,470</u>	<u>(42,315)</u>	<u>84,155</u>	<u>82,222</u>	<u>1,933</u>
Total Regular Programs - Instruction	<u>841,657</u>	<u>284,497</u>	<u>1,126,154</u>	<u>1,124,221</u>	<u>1,933</u>
Special Education - Instruction					
Resource Room					
Salaries of Teachers	80,114	(31,174)	48,940	48,870	70
Other Purchased Services	-	-	-	-	-
General Supplies	-	-	-	-	-
Total	<u>80,114</u>	<u>(31,174)</u>	<u>48,940</u>	<u>48,870</u>	<u>70</u>
Total Special Education - Instruction	<u>80,114</u>	<u>(31,174)</u>	<u>48,940</u>	<u>48,870</u>	<u>70</u>
School Sponsored Co/Extracurricular Activities					
Salaries	14,000	20,768	34,768	34,768	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>14,000</u>	<u>20,768</u>	<u>34,768</u>	<u>34,768</u>	<u>-</u>
Other Instructional Programs- Summer					
Salaries	-	708	708	708	-
Total	<u>-</u>	<u>708</u>	<u>708</u>	<u>708</u>	<u>-</u>
Total Instruction	<u>935,771</u>	<u>274,799</u>	<u>1,210,570</u>	<u>1,208,567</u>	<u>2,003</u>
Attendance and Social Work					
Salaries	58,604	(11,712)	46,892	46,705	187
Other Purchased Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total	<u>58,604</u>	<u>(11,712)</u>	<u>46,892</u>	<u>46,705</u>	<u>187</u>
Health Services					
Supplies and Materials	2,000	(1,945)	55	55	-
Other Objects	-	-	-	-	-
Total	<u>2,000</u>	<u>(1,945)</u>	<u>55</u>	<u>55</u>	<u>-</u>

HOBOKEN BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
School - Brandt					
Instructional Staff Training Services					
Purchased Professional Educational Services		-			-
Other Purchased Services	\$ 2,040	\$ (801)	\$ 1,239	\$ 1,239	-
Other Objects	-	-	-	-	-
Total	<u>2,040</u>	<u>(801)</u>	<u>1,239</u>	<u>1,239</u>	<u>-</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	56,004	(8,552)	47,452	47,452	
Salaries of Sect and Clerical Assistants		4,199	4,199	4,199	
Purchased Professional and Technical Services		-			
Other Purchased Services	420	(420)	-		
Supplies and Materials		5,968	5,968	5,968	
Other Objects	-	-	-	-	-
Total	<u>56,424</u>	<u>1,195</u>	<u>57,619</u>	<u>57,619</u>	<u>-</u>
Custodial Services					
Salaries of Non-Instructional Aides		-			-
General Supplies	10,000	(4,328)	5,672	5,672	-
Total	<u>10,000</u>	<u>(4,328)</u>	<u>5,672</u>	<u>5,672</u>	<u>-</u>
Student Transportation Services					
Contracted Services (Other than Between Home & School) - Vendors	2,040	2,020	4,060	4,060	-
Total	<u>2,040</u>	<u>2,020</u>	<u>4,060</u>	<u>4,060</u>	<u>-</u>
Unallocated Employee Benefits					
Social Security Contributions		-			-
Unemployment Compensation		-			-
Health Benefits	596,535	-	596,535	596,435	\$ 100
Unused Sick Payment to Terminated Employees	12,041	-	12,041	12,041	-
Total	<u>608,576</u>	<u>-</u>	<u>608,576</u>	<u>608,476</u>	<u>100</u>
Total Undistributed Expenditures	<u>739,684</u>	<u>(15,571)</u>	<u>724,113</u>	<u>723,826</u>	<u>287</u>
Total School Based Budget Current Expense	<u>1,675,455</u>	<u>259,228</u>	<u>1,934,683</u>	<u>1,932,393</u>	<u>2,290</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>1,675,455</u>	<u>259,228</u>	<u>1,934,683</u>	<u>1,932,393</u>	<u>2,290</u>
Other Financing Sources:					
Operating Transfer In	1,675,455	259,228	1,934,683	1,932,393	2,290
Total Other Financing Sources:	<u>1,675,455</u>	<u>259,228</u>	<u>1,934,683</u>	<u>1,932,393</u>	<u>2,290</u>
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SPECIAL REVENUE FUND

HOBOKEN BOARD OF EDUCATION
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGETARY BASIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	193 Services									Impact Aid	Sub-totals Exhibit E-1A	Sub-totals Exhibit E-1B	Grand Total
	Nonpublic Technology	Nonpublic Nursing	Nonpublic Textbooks	Nonpublic Security	Nonpublic Comp. Ed.	Nonpublic ESL	Nonpublic Suppl. Inst.	Nonpublic Exam. and Class	Nonpublic Speech Corr.				
REVENUES													
Intergovernmental													
State	\$ 38,862	\$ 104,954	\$ 58,436	\$ 54,412	\$ 71,927	\$ 1,807	\$ 46,946	\$ 58,622	\$ 33,123			\$ 13,074,477	\$ 13,543,566
Federal										\$ 72,125	\$ 1,804,169	5,664	1,881,958
Other											8,405		8,405
Total Revenues	\$ 38,862	\$ 104,954	\$ 58,436	\$ 54,412	\$ 71,927	\$ 1,807	\$ 46,946	\$ 58,622	\$ 33,123	\$ 72,125	\$ 1,812,574	\$ 13,080,141	\$ 15,433,929
EXPENDITURES													
Instruction													
Salaries of Teachers											\$ 149,279	\$ 45,463	\$ 194,742
Other Salaries for Instruction													-
Other Salaries													-
Purchased Prof. and Technical Services											282,574		282,574
Purchased Professional-Educational Services													-
Tuition											668,255		668,255
Other Purchased Services													-
Miscellaneous Purchased Services													-
General Supplies											45,021	4,954	49,975
Textbooks			\$ 58,436							\$ 72,125			130,561
Other Objects													-
Total Instruction			58,436							72,125	1,145,129	50,417	1,326,107
Support Services													
Salaries											761	340,538	341,299
Salaries of Teachers													-
Salaries of Program Directors												97,648	97,648
Salaries of Supervisors of Instruction													-
Salaries of Other Professional Staff												339,230	339,230
Salaries of Secretarial and Clerical												92,035	92,035
Salaries of Community Parent Specialist												56,100	56,100
Salaries of Master Teachers												243,353	243,353
Other Salaries												333,558	333,558
Personal Services Employee-Benefits											10,906	388,451	399,357
Purchased Professional Educ Svcs	\$ 38,862			\$ 54,412	\$ 71,927	\$ 1,807	\$ 46,946	\$ 58,622	\$ 33,123		30,505	4,857	286,649
Purchased Technical Services													-
Purchased Professional and Technical Services											12,797	710	13,507
Purchased Educ. Service-Contracted Pre-K												10,180,243	10,180,243
Purchased Educ. Services-Head Start												796,230	796,230
Cleaning, Repairs and Maintenance Services													-
Other Purchased Professional-Education Services												35,370	35,370
Other Purchased Professional Services												5,167	5,167
Contracted Services (Other than Between Home & School)													-
Travel												470	470
Other Purchased Services		\$ 104,954									45,768		150,722
Miscellaneous Purchased Services													-
Supplies and Materials											23,163	16,203	39,366
Other Objects											3,521	444,381	502,314
Total Support Services	38,862	104,954		54,412	71,927	1,807	46,946	58,622	33,123		127,421	13,374,544	13,912,618

HOBOKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	193 Services										Sub-totals Exhibit E-1A	Sub-totals Exhibit E-1B	Grand Total
	Nonpublic Technology	Nonpublic Nursing	Nonpublic Textbooks	Nonpublic Security	Nonpublic Comp. Ed.	Nonpublic ESL	Nonpublic Suppl. Inst.	Nonpublic Exam. and Class	Nonpublic Speech Corr.	Impact Aid			
Transfer of Funds to SBB	-	-	-	-	-	-	-	-	-	-	\$ 540,024	-	\$ 540,024
Facilities Acquisition and Construction Serv.													
Instructional Equipment	-	-	-	-	-	-	-	-	-	-	-	\$ -	-
Noninstructional Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Facilities Acquisitions and Construction Serv.	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 38,862	\$ 104,954	\$ 58,436	\$ 54,412	\$ 71,927	\$ 1,807	\$ 46,946	\$ 58,622	\$ 33,123	\$ 72,125	1,812,574	13,424,961	15,778,749
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-	(344,820)	(344,820)
Other Financing Sources													
Transfer In- General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 344,820	\$ 344,820

HOBOKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Local Donations	Title I SIA	Title I	I.D.E.A. Part B-Basic Reg. Prog.	I.D.E.A. Part B- Preschool	Title II A	Title III	Title III Immigrant	Subtotals
REVENUES									
Intergovernmental									
State									-
Federal		\$ 63,909	\$ 714,033	\$ 876,631	\$ 20,555	\$ 123,971	\$ 4,000	\$ 1,070	\$ 1,804,169
Other	\$ 8,405	-	-	-	-	-	-	-	8,405
Total Revenues	\$ 8,405	\$ 63,909	\$ 714,033	\$ 876,631	\$ 20,555	\$ 123,971	\$ 4,000	\$ 1,070	\$ 1,812,574
EXPENDITURES									
Instruction									
Salaries of Teachers			\$ 149,279						\$ 149,279
Other Salaries									-
Purchased Prof. and Tech. Services		\$ 23,958	29,685	\$ 228,931					282,574
Tuition				647,700	\$ 20,555				668,255
Other Purchased Services									-
General Supplies		39,951					\$ 4,000	\$ 1,070	45,021
Textbooks									-
Other Objects									-
Total Instruction	-	63,909	178,964	876,631	20,555	-	4,000	1,070	1,145,129
Support Services									
Salaries						\$ 761			761
Salaries of Program Directors									-
Salaries of Other Professional Staff									-
Salaries of Secr. And Clerical Assis.									-
Other Salaries									-
Personal Services - Employee Benefits			10,891			15			10,906
Purchased Prof Educ Services			457			30,048			30,505
Purchased Prof. and Tech. Services						12,797			12,797
Cleaning, Repair and Maintenance Services									-
Travel									-
Other Purchased Services						45,768			45,768
Miscellaneous Purchased Services									-
Supplies and Materials	\$ 8,405		14,758						23,163
Other Objects			3,521						3,521
Total Support Services	8,405	-	29,627	-	-	89,389	-	-	127,421

HOBOKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Local Donations</u>	<u>Title I SIA</u>	<u>Title I</u>	<u>I.D.E.A. Part B-Basic Reg. Prog.</u>	<u>I.D.E.A. Part B- Preschool</u>	<u>Title II A</u>	<u>Title III</u>	<u>Title III Immigrant</u>	<u>Subtotals Page 2</u>
Facilities Acquisition and Construction Serv.									
Instructional Equipment	-	-	-	-	-	-	-	-	\$ -
Noninstructional Equipment	\$ -	-	-	-	-	-	-	-	-
Total Facilities Acquisitions and Construction Serv.	-	-	-	-	-	-	-	-	-
Transfer of Funds to SBB	-	-	\$ 505,442	-	-	\$ 34,582	-	-	540,024
Total Expenditures	8,405	\$ 63,909	714,033	\$ 876,631	\$ 20,555	123,971	\$ 4,000	\$ 1,070	1,812,574
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-	-	-	-	-
Other Financing Sources									
Transfer In- General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

HOBOKEN BOARD OF EDUCATION
 SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGETARY BASIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Title IV</u>	<u>Family Friendly Centers</u>	<u>NJ School Based Youth Services</u>	<u>Preschool Education Aid</u>	<u>Subtotals</u>
REVENUES					
Intergovernmental					
State		\$ 45,463	\$ 270,393	\$ 12,758,621	\$ 13,074,477
Federal	\$ 5,664				5,664
Other	-	-	-	-	-
Total Revenues	\$ 5,664	\$ 45,463	\$ 270,393	\$ 12,758,621	\$ 13,080,141
EXPENDITURES					
Instruction					
Salaries of Teachers		\$ 45,463			\$ 45,463
Salaries of Sec. And Clerical Assistants					-
Other Salaries for Instruction					-
Salaries for Pupil Transportation (Between Home and School)- Non-Public					-
Purchased Prof. and Tech. Services					-
Purchased Professional-Educational Services					-
Other Purchased Services					-
Miscellaneous Purchased Services					-
General Supplies	\$ 4,954				4,954
Textbooks					-
Other Objects					-
Total Instruction	4,954	45,463	-	-	50,417
Support Services					
Salaries			\$ 253,463	\$ 87,075	340,538
Salaries of Program Directors				\$ 97,648	97,648
Salaries of Other Professional Staff				339,230	339,230
Salaries of Sec. and Clerical Assistants				92,035	92,035
Other Salaries				333,558	333,558
Salaries of Community Parent Specialist				56,100	56,100
Salaries of Master Teachers				243,353	243,353
Personal Services - Employee Benefits				388,451	388,451
Purchased Professional Educational Services			4,857		4,857
Purchased Prof. and Tech. Services	710				710
Purchased Educ. Services-Contracted Pre-K				10,180,243	10,180,243
Purchased Educ. Services-Head Start				796,230	796,230
Other Purchased Prof Tech. Services					-
Other Purchased Professional-Education Services				35,370	35,370
Other Purchased Professional Services				5,167	5,167
Cleaning, Repairs and Maintenance Services					-
Contracted Services (Other than Between Home & School)					-
Travel				470	470
Other Purchased Services					-
Supplies and Materials			4,337	11,866	16,203
Other Objects			7,736	436,645	444,381
Total Support Services	710	-	270,393	13,103,441	13,374,544

HOBOKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Title IV</u>	<u>Family Friendly Centers</u>	<u>NJ School Based Youth Services</u>	<u>Preschool Education Aid</u>	<u>Subtotals</u>
Facilities Acquisition and Construction Serv.					
Instructional Equipment				\$ -	\$ -
Noninstructional Equipment					
Construction Services	-	-	-	-	-
Total Facilities Acquisitions and Construction Serv.	-	-	-	-	-
Transfer of Funds to SBB	-	-	-	-	-
Total Expenditures	\$ 5,664	\$ 45,463	\$ 270,393	13,103,441	13,424,961
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	(344,820)	(344,820)
Other Financing Sources					
Transfer In- General Fund	\$ -	\$ -	\$ -	\$ 344,820	\$ 344,820

**HOBOKEN BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION PROGRAM AID SCHEDULE OF EXPENDITURES
PRESCHOOL - ALL PROGRAMS
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
Instruction Services					
Salaries of Teachers	\$ 58,129	\$ (58,129)			
Other Salaries for Instruction	96,700	(73,784)	\$ 22,916		\$ 22,916
General Supplies	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Instruction Services	<u>154,829</u>	<u>(131,913)</u>	<u>22,916</u>	<u>-</u>	<u>22,916</u>
Support Services					
Salaries of Supervisors of Instruction		103,541	103,541	\$ 87,075	16,466
Salaries of Program Directors		97,649	97,649	97,648	1
Salaries of Other Professional Staff	417,636	(69,247)	348,389	339,230	9,159
Salaries of Sec. and Clerical Assistants	94,597	-	94,597	92,035	2,562
Other Salaries	336,238	-	336,238	333,558	2,680
Salaries of Community Parent Involvement Spec.	56,100	-	56,100	56,100	-
Salaries of Master Teachers	252,789	-	252,789	243,353	9,436
Personal Services - Employee Benefits	425,896	-	425,896	388,451	37,445
Purchased Professional - Educational Services- Contracted Pre-K	10,362,435	-	10,362,435	10,180,243	182,192
Purchased Professional - Educational Services- Head Start	796,230	-	796,230	796,230	-
Other Purchased Professional-Ed Services	67,500	-	67,500	35,370	32,130
Other Purchased Professional Services	10,000	-	10,000	5,167	4,833
Cleaning, Repair and Maintenance Services	6,202	-	6,202	6,202	-
Contracted Services (Other than Between Home and School)	-	-	-	-	-
Travel	10,000	-	10,000	470	9,530
Supplies and Materials	59,000	-	59,000	11,866	47,134
Other Objects	510,000	-	510,000	436,645	73,355
Total Support Services	<u>13,404,623</u>	<u>131,943</u>	<u>13,536,566</u>	<u>13,103,441</u>	<u>433,125</u>
Total Expenditures	<u>\$ 13,559,452</u>	<u>\$ 30</u>	<u>\$ 13,559,482</u>	<u>\$ 13,103,441</u>	<u>\$ 456,041</u>

Calculation of Budget Carryover

Total 2017-2018 Preschool Education Allocation	\$ 12,187,272
Add: Actual ECPA Carryover (June 30, 2017)	1,122,148
Add: Prior Year Payables Cancelled	30
Add: Budgeted Transfer from the General Fund 2017-2018 Inclusion	344,820
Total Preschool Education Aid Funds Available for 2017-2018 Budget	13,654,270
Less: 2017-2018 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>13,559,482</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2018	94,788
Add: June 30, 2018 Unexpended Preschool Education Aid	456,041
2017-2018 Actual Carryover - Preschool Education Aid	<u>\$ 550,829</u>
2017-2018 Preschool Education Aid Carryover Budgeted for Preschool Education in 2018-2019	\$ 94,001

CAPITAL PROJECTS FUND

**HOBOKEN BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Issue/Project Title</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Balance, June 30, 2018</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Lighting Upgrade Lease Purchase	\$ 1,000,000	\$ 957,842	\$ 42,158	-
Renovations at Wallace and Brandt Schools- Ground Lease Purchase	450,000	292,677	157,323	-
Middle School Renovations and District Wide Technology Upgrades	<u>2,988,131</u>	<u>-</u>	<u>2,543,422</u>	<u>\$ 444,709</u>
sub-total Local Projects	<u>4,438,131</u>	<u>1,250,519</u>	<u>2,742,903</u>	<u>444,709</u>
Schools Development Authority - Educational Facilities				
Construction Aid				
<u>On-Behalf Payments</u>				
A.J. Demarest E.S. 2210-010-17-0BBF	14,330	-	14,330	
Thomas G. Connors 2210-065-01-0783	<u>1,344,323</u>	<u>1,330,473</u>	<u>13,850</u>	
sub-total On-Behalf SDA Payments	<u>1,358,653</u>	<u>1,330,473</u>	<u>28,180</u>	<u>-</u>
Total Expenditures	<u>\$ 5,796,784</u>	<u>\$ 2,580,992</u>	<u>\$ 2,771,083</u>	<u>\$ 444,709</u>
<u>Reconciliation of Fund Balance</u>				
Project Balances				\$ 444,709
Interest Earning to be Utilized for Payment of Lease Purchase				
Principal and Interest				<u>13,089</u>
Total Fund Balance, June 30, 2018				<u>\$ 457,798</u>

**HOBOKEN BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Revenues and Other Financing Sources

Revenues	
SDA Grant - On Behalf	\$ 28,180
Interest on Lease Purchase Proceeds	13,007
Other Financing Sources	
Lease Purchase Proceeds	<u>1,700,000</u>
 Total Revenues	 <u>1,741,187</u>

Expenditures and Other Financing Uses

Expenditures	
Purchased Professional and Technical Services	145,467
Construction Services	1,060,976
Equipment	793,203
Supplies	566,885
Payment of Lease Purchase Principal and Interest	136,241
On-Behalf SDA Construction Services	28,180
Other Financing Uses	
Return Unexpended Lease Purchase Funds to General Fund	42,158
Return Capital Reserve Funds to General Fund	<u>1,511,869</u>
 Total Expenditures and Other Financing Uses	 <u>4,284,979</u>

Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(2,543,792)
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Fund Balance- Beginning of Year	<u>3,001,590</u>
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Fund Balance- End of Year	<u>\$ 457,798</u>
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Recapitulation of Fund Balance (GAAP)

Year End Encumbrances	\$ 134,893
Available for Capital Project Expenditures	309,816
Available for Lease Purchase Payments	<u>13,089</u>

Total Fund Balance - Restricted for Capital Projects	<u>\$ 457,798</u>
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**HOBOKEN BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
DISTRICT WIDE LIGHTING UPGRADE PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Purchase Proceeds	\$ 1,000,000	-	\$ 1,000,000	\$ 1,000,000
 Total Revenues and Other Financing Sources	 1,000,000	 -	 1,000,000	 1,000,000
Expenditures and Other Financing Uses				
Construction Services	957,842		957,842	957,842
Transfer to General Fund - Payment of Debt Service	-	\$ 42,158	42,158	42,158
 Total Expenditures and Other Financing Uses	 957,842	 42,158	 1,000,000	 1,000,000
 Excess of Revenue Over Expenditures	 \$ 42,158	 \$ (42,158)	 \$ -	 \$ -

Additional Project Information:

SDA Project Number	
SDA Grant Number	
Grant Date	
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,000,000
Additional Authorized Cost	
Revised Authorized Cost	\$ 1,000,000
 Percentage Increase Over Original Authorized Cost	 0.00%
Percentage Completion	100.00%
Original Target Completion Date	2013/2014
Revised Target Completion Date	2013/2014

**HOBOKEN BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS AT WALLACE SCHOOL AND BRANDT SCHOOL - GROUND LEASE
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Purchase Proceeds	\$ 450,000		\$ 450,000	\$ 450,000
Interest Earnings	<u>1,663</u>	<u>\$ 362</u>	<u>2,025</u>	<u>-</u>
 Total Revenues and Other Financing Sources	 <u>451,663</u>	 <u>362</u>	 <u>452,025</u>	 <u>450,000</u>
 Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	44,987		44,987	44,987
Construction Services	247,690	23,107	270,797	270,797
Payment of Lease Purchase Principal and Interest	<u>-</u>	<u>136,241</u>	<u>136,241</u>	<u>134,216</u>
 Total Expenditures and Other Financing Uses	 <u>292,677</u>	 <u>159,348</u>	 <u>452,025</u>	 <u>450,000</u>
 Excess of Revenue Over Expenditures	 <u>\$ 158,986</u>	 <u>\$ (158,986)</u>	 <u>\$ -</u>	 <u>\$ -</u>

Additional Project Information:

SDA Project Number	
SDA Grant Number	
Grant Date	
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 450,000
Additional Authorized Cost	
Revised Authorized Cost	\$ 450,000
 Percentage Increase Over Original Authorized Cost	 0.00%
Percentage Completion	100.45%
Original Target Completion Date	2017/2018
Revised Target Completion Date	2017/2018

**HOBOKEN BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
ACQUISITION OF VARIOUS EQUIPMENT AND IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Purchase Proceeds	\$ 1,450,000		\$ 1,450,000	\$ 1,450,000
Interest Earnings	<u>362</u>	<u>\$ (362)</u>	<u>-</u>	<u>-</u>
 Total Revenues and Other Financing Sources	 <u>1,450,362</u>	 <u>(362)</u>	 <u>1,450,000</u>	 <u>1,450,000</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	46,460		46,460	46,460
Construction Services	<u>1,403,540</u>	<u>-</u>	<u>1,403,540</u>	<u>1,403,540</u>
 Total Expenditures and Other Financing Uses	 <u>1,450,000</u>	 <u>-</u>	 <u>1,450,000</u>	 <u>1,450,000</u>
 Excess of Revenue Over Expenditures	 <u>\$ 362</u>	 <u>\$ (362)</u>	 <u>\$ -</u>	 <u>\$ -</u>

Additional Project Information:

SDA Project Number	
SDA Grant Number	
Grant Date	
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,450,000
Additional Authorized Cost	
Revised Authorized Cost	\$ 1,450,000
 Percentage Increase Over Original Authorized Cost	 0.00%
Percentage Completion	100.00%
Original Target Completion Date	2016/2017
Revised Target Completion Date	2016/2017

**HOBOKEN BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
MIDDLE SCHOOL RENOVATIONS AND DISTRICT WIDE TECHNOLOGY UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 2,800,000	\$ (1,511,869)	\$ 1,288,131	\$ 1,288,131
Lease Purchase Proceeds	-	1,700,000	1,700,000	1,700,000
	<u>2,800,000</u>	<u>188,131</u>	<u>2,988,131</u>	<u>2,988,131</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services		145,467	145,467	25,000
Construction Services	-	1,037,867	1,037,867	2,963,131
Equipment	-	793,203	793,203	
Supplies	-	566,885	566,885	-
	<u>-</u>	<u>2,543,422</u>	<u>2,543,422</u>	<u>2,988,131</u>
Excess (Deficit) of Revenue Over Expenditures	<u>\$ 2,800,000</u>	<u>\$ (2,355,291)</u>	<u>\$ 444,709</u>	<u>\$ -</u>
Additional Project Information:				
SDA Emergent Project Number	N/A			
SDA Grant Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 4,500,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 2,988,131			
Percentage Increase Over Original Authorized Cost	0.00%			
Percentage Completion	85%			
Original Target Completion Date	2017/2018			
Revised Target Completion Date	2018/2019			

ENTERPRISE FUND

**HOBOKEN BOARD OF EDUCATION
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2018**

THIS SCHEDULE IS NOT APPLICABLE

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

**COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

THIS SCHEDULE IS NOT APPLICABLE

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

THIS SCHEDULE IS NOT APPLICABLE

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

**HOBOKEN BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2018**

	<u>Agency</u>		<u>Total</u>
	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS			
Cash	\$ 135,912	\$ 669,099	\$ 805,011
Accounts Receivable		2,435	2,435
Prepaid Items	-	1,458	1,458
	<u>135,912</u>	<u>672,992</u>	<u>808,904</u>
Total Assets	<u>\$ 135,912</u>	<u>\$ 672,992</u>	<u>\$ 808,904</u>
LIABILITIES			
Liabilities			
Accrued Salaries and Wages		\$ 1,125	\$ 1,125
Payroll Deductions and Withholdings Payable		638,751	638,751
Due to Other Funds		33,116	33,116
Due to Student Groups	\$ 135,912	-	135,912
	<u>135,912</u>	<u>672,992</u>	<u>808,904</u>
Total Liabilities	<u>\$ 135,912</u>	<u>\$ 672,992</u>	<u>\$ 808,904</u>

**HOBOKEN BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOT APPLICABLE

**HOBOKEN BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Balance, July 1, 2017</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2018</u>
<u>Elementary Schools</u>				
Wallace School	\$ 1,833	\$ 2,248	\$ 1,626	\$ 2,455
Salvatore R. Calabro School	535			535
Thomas G. Connors	897	2,637	2,270	1,264
	<u>3,265</u>	<u>4,885</u>	<u>3,896</u>	<u>4,254</u>
Total Elementary Schools				
<u>High School</u>				
General Activity Fund	124,132	133,804	128,118	129,818
Athletics	4,612	48,014	50,786	1,840
	<u>128,744</u>	<u>181,818</u>	<u>178,904</u>	<u>131,658</u>
Total High School				
Total	<u>\$ 132,009</u>	<u>\$ 186,703</u>	<u>\$ 182,800</u>	<u>\$ 135,912</u>

**HOBOKEN BOARD OF EDUCATION
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Balance, July 1, 2017</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2018</u>
Due to Other Funds	\$ 7,503	\$ 25,613	\$ -	\$ 33,116
Payroll Deductions and Withholdings	640,727	15,993,315	15,995,291	638,751
Accrued Salaries and Wages (Deficit)	(1,180)	17,687,822	17,685,517	1,125
Reserve for Flexible Spending	-	38,472	38,472	-
Other Accounts Receivable			2,435	(2,435)
Prepaid Items	(1,422)	-	36	(1,458)
	<u>\$ 645,628</u>	<u>\$ 33,745,222</u>	<u>\$ 33,721,751</u>	<u>\$ 669,099</u>
Total				

LONG-TERM DEBT

**HOBOKEN BOARD OF EDUCATION
LONG TERM DEBT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOT APPLICABLE

**HOBOKEN BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES/LEASE PURCHASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<u>Description</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2018</u>
Lighting and Lighting Control Equipment	8/15/2013	\$ 1,000,000	1.42%	\$ 200,000		\$ 200,000	
Acquisition of Equipment & Various Improvements	9/15/2016	1,450,000	1.40%	1,450,000		29,700	\$ 1,420,300
Ground Lease Purchase- Renovations at Wallace and Brandt Schools	11/9/2016	450,000	1.9627%	450,000		194,023	255,977
Acquisition of Equipment	8/30/2017	1,700,000	1.82%	-	\$ 1,700,000	-	1,700,000
				<u>\$ 2,100,000</u>	<u>\$ 1,700,000</u>	<u>\$ 423,723</u>	<u>\$ 3,376,277</u>
						Paid by Budget Appropriation	\$ 316,232
						Paid by Unexpended Lease Proceeds	<u>107,491</u>
							<u>423,723</u>

**SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES/LEASE PURCHASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOT APPLICABLE

HOBOKEN BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOT APPLICABLE

STATISTICAL SECTION

This part of the Hoboken Board of Education's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

Operating Information

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

J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

HOBOKEN BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2009	2010	2011	2012	Fiscal Year Ended June 30,		2015	2016	2017	2018
					2013	2014 (Restated)				
Governmental activities										
Net Investment in Capital Assets	\$ 47,190,268	\$ 47,090,368	\$ 48,192,434	\$ 48,829,477	\$ 19,673,114	\$ 17,346,656	\$ 15,140,800	\$ 13,087,020	\$ 2,705,551	\$ 2,943,421
Restricted	810,000	750,000	750,000	514,814	74,152	849,225	2,210,737	4,686,473	6,133,701	4,947,730
Unrestricted	(7,865,224)	(6,694,230)	(8,488,185)	(7,337,554)	(4,869,288)	(17,530,728)	(15,688,907)	(16,470,682)	(17,729,922)	(18,433,843)
Total governmental activities net position	<u>\$ 40,135,044</u>	<u>\$ 41,146,138</u>	<u>\$ 40,454,249</u>	<u>\$ 42,006,737</u>	<u>\$ 14,877,978</u>	<u>\$ 665,153</u>	<u>\$ 1,662,630</u>	<u>\$ 1,302,811</u>	<u>\$ (8,890,670)</u>	<u>\$ (10,542,692)</u>
Business-type activities										
Net Investment in Capital Assets	\$ 126,787	\$ 142,310	\$ 122,664	\$ 48,955	\$ 19,679	\$ 112,834	\$ 100,426	\$ 109,636	\$ 186,153	\$ 177,883
Restricted										
Unrestricted	(244,992)	(434,425)	(783,849)	(974,485)	(1,071,173)	(586,173)	152,157	178,502	74,377	70,543
Total business-type activities net position	<u>\$ (118,205)</u>	<u>\$ (292,115)</u>	<u>\$ (661,185)</u>	<u>\$ (925,530)</u>	<u>\$ (1,051,494)</u>	<u>\$ (473,339)</u>	<u>\$ 252,583</u>	<u>\$ 288,138</u>	<u>\$ 260,530</u>	<u>\$ 248,426</u>
District-wide										
Net Investment in Capital Assets	\$ 47,317,055	\$ 47,232,678	\$ 48,315,098	\$ 48,878,432	\$ 19,692,793	\$ 17,459,490	\$ 15,241,226	\$ 13,196,656	\$ 2,891,704	\$ 3,121,304
Restricted	810,000	750,000	750,000	514,814	74,152	849,225	2,210,737	4,686,473	6,133,701	4,947,730
Unrestricted	(8,110,216)	(7,128,655)	(9,272,034)	(8,312,039)	(5,940,461)	(18,116,901)	(15,536,750)	(16,292,180)	(17,655,545)	(18,363,300)
Total district net position	<u>\$ 40,016,839</u>	<u>\$ 40,854,023</u>	<u>\$ 39,793,064</u>	<u>\$ 41,081,207</u>	<u>\$ 13,826,484</u>	<u>\$ 191,814</u>	<u>\$ 1,915,213</u>	<u>\$ 1,590,949</u>	<u>\$ (8,630,140)</u>	<u>\$ (10,294,266)</u>

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and to reflect restatement of capital asset balances.

Source: District's financial statements

HOBOKEN BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2009		2010		2011		2012		Fiscal Year Ended June 30,		2015		2016		2017		2018			
									2013	2014										
Expenses																				
Governmental activities																				
Instruction																				
Regular	\$	25,275,975	\$	28,384,653	\$	28,844,002	\$	29,461,070	\$	31,452,283	\$	32,250,508	\$	35,297,094	\$	38,436,710	\$	46,227,801	\$	47,620,923
Special education		5,200,818		6,428,338		6,608,002		7,256,560		7,704,906		6,628,785		7,567,897		8,682,336		9,959,775		9,912,667
Other special education																				
Other instruction		439,467		793,236		507,227		391,025		377,032		115,067		95,316		110,176		226,914		364,583
School Sponsored Activities and Athletics		1,181,554		1,305,913		1,286,586		1,284,573		1,196,697		1,079,547		1,379,540		1,579,752		2,096,676		2,303,383
Adult Continuing Education		203,062		194,604		149,219		215,509		111,956		4,883		-		-		-		-
Support Services:																				
Tuition																				
Student & instruction related services		11,665,895		8,642,936		10,047,684		9,612,865		9,517,130		10,209,494		11,383,511		12,930,924		11,697,539		13,110,296
School administrative services		1,058,298		3,252,194		2,611,085		2,362,057		2,183,241		2,327,720		2,691,487		2,947,826		3,072,576		3,355,437
General administrative services		1,961,797		1,826,507		1,582,886		1,255,631		1,013,937		913,777		1,040,516		1,040,871		1,076,172		991,427
Plant operations and maintenance		7,248,281		6,652,937		6,610,137		6,337,611		7,843,598		7,467,784		8,838,717		9,356,105		9,718,374		7,351,677
Central and other support services		617,419		1,200,727		1,179,722		942,232		969,084		1,073,621		1,023,391		1,120,122		1,102,711		1,172,039
Pupil transportation		1,520,871		1,574,379		1,670,164		1,659,517		1,524,452		1,551,318		1,438,187		1,726,790		1,618,080		1,846,681
Special Schools																				
Charter Schools																				
Interest on long-term debt		50,741		41,408		31,733		21,698		17,824		12,001		8,689		5,831		25,259		78,676
Total governmental activities expenses		<u>56,424,178</u>		<u>60,297,832</u>		<u>61,128,447</u>		<u>60,800,348</u>		<u>63,912,140</u>		<u>63,634,505</u>		<u>70,764,345</u>		<u>77,937,443</u>		<u>86,821,877</u>		<u>88,107,789</u>
Business-type activities:																				
Food service		1,301,220		1,293,551		968,736		871,727		1,074,759		1,023,661		1,033,361		1,014,862		990,750		991,047
After Care												107,378		113,891		137,506		645,865		771,512
Total business-type activities expense		<u>1,301,220</u>		<u>1,293,551</u>		<u>968,736</u>		<u>871,727</u>		<u>1,074,759</u>		<u>1,131,039</u>		<u>1,147,252</u>		<u>1,152,368</u>		<u>1,636,615</u>		<u>1,762,559</u>
Total district expenses		<u>\$ 57,725,398</u>		<u>\$ 61,591,383</u>		<u>\$ 62,097,183</u>		<u>\$ 61,672,075</u>		<u>\$ 64,986,899</u>		<u>\$ 64,765,544</u>		<u>\$ 71,911,597</u>		<u>\$ 79,089,811</u>		<u>\$ 88,458,492</u>		<u>\$ 89,870,348</u>
Program Revenues																				
Governmental activities:																				
Charges for services:																				
Instruction		\$ 424,848		\$ 384,930		\$ 263,215		\$ 432,095		\$ 316,516		\$ 100,636		\$ 73,500		\$ 99,665		\$ 199,242		\$ 137,414
Support Services				980,117		289,568		315,722		369,537		337,344		576,855		526,263		672,453		538,630
Operating Grants and Contributions		15,236,370		16,121,194		16,288,055		18,711,728		21,080,906		20,604,088		25,820,471		28,978,796		34,540,678		35,867,909
Capital grants and contributions		5,505,504		517,006		1,746,672		373,106		-		31,316		222,875		494,982		287,558		38,595
Total governmental activities program revenues		<u>21,166,722</u>		<u>18,003,247</u>		<u>18,587,510</u>		<u>19,832,651</u>		<u>21,766,959</u>		<u>21,073,384</u>		<u>26,693,701</u>		<u>30,099,706</u>		<u>35,699,931</u>		<u>36,582,548</u>
Business-type activities:																				
Charges for services																				
Food service		108,605		151,984		124,967		171,199		191,564		247,331		227,255		303,082		313,123		334,602
After Care Program												153,734		140,141		169,800		106,970		222,742
Operating grants and contributions		574,191		633,414		474,699		500,209		632,231		641,072		611,558		699,890		665,764		644,341
Capital grants and contributions				28,417												15,151				
Total business type activities program revenues		<u>682,796</u>		<u>813,815</u>		<u>599,666</u>		<u>671,408</u>		<u>823,795</u>		<u>1,042,137</u>		<u>978,954</u>		<u>1,187,923</u>		<u>1,085,857</u>		<u>1,201,685</u>
Total district program revenues		<u>\$ 21,849,518</u>		<u>\$ 18,817,062</u>		<u>\$ 19,187,176</u>		<u>\$ 20,504,059</u>		<u>\$ 22,590,754</u>		<u>\$ 22,115,521</u>		<u>\$ 27,672,655</u>		<u>\$ 31,287,629</u>		<u>\$ 36,785,788</u>		<u>\$ 37,784,233</u>
Net (Expense)/Revenue																				
Governmental activities		\$ (35,257,456)		\$ (42,294,585)		\$ (42,540,937)		\$ (40,967,697)		\$ (42,145,181)		\$ (42,561,121)		\$ (44,070,644)		\$ (47,837,737)		\$ (51,121,946)		\$ (51,525,241)
Business-type activities		(618,424)		(479,736)		(369,070)		(200,319)		(250,964)		(88,902)		(168,298)		35,555		(550,758)		(560,874)
Total district-wide net expense		<u>\$ (35,875,880)</u>		<u>\$ (42,774,321)</u>		<u>\$ (42,910,007)</u>		<u>\$ (41,168,016)</u>		<u>\$ (42,396,145)</u>		<u>\$ (42,650,023)</u>		<u>\$ (44,238,942)</u>		<u>\$ (47,802,182)</u>		<u>\$ (51,672,704)</u>		<u>\$ (52,086,115)</u>

HOBOKEN BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 36,073,367	\$ 36,764,796	\$ 36,761,743	\$ 36,758,684	\$ 36,755,753	\$ 38,220,173	\$ 39,426,390	\$ 41,004,666	\$ 42,502,765	\$ 43,857,211
Investment earnings										
Miscellaneous income	544,585	227,433	420,331	140,773	521,799	145,613	155,805	166,134	454,330	501,583
Tuition received										
Federal & State aid not received										
Federal & State aid not restricted	6,216,609	6,619,276	4,666,974	6,235,078	5,437,678	6,048,614	6,308,459	6,307,118	6,337,940	6,063,195
Special item										
Accounts receivable canceled										
Various special items										
NJ EDA Projects Completed (Non-Cash)										
Adjustment to fixed asset inventory										
Credit from state facilities loans payable										
Transfers		(305,826)				(482,960)	(822,533)	-	(433,995)	(548,770)
Miscellaneous adjustment										
Total governmental activities	<u>42,834,561</u>	<u>43,305,679</u>	<u>41,849,048</u>	<u>43,134,535</u>	<u>42,715,230</u>	<u>43,931,440</u>	<u>45,068,121</u>	<u>47,477,918</u>	<u>48,861,040</u>	<u>49,873,219</u>
Business-type activities										
Miscellaneous income					125,000	81,259	71,687	-		
Transfers		305,826				482,960	822,533	-	433,995	548,770
Total business-type activities	<u>-</u>	<u>305,826</u>	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>564,219</u>	<u>894,220</u>	<u>-</u>	<u>433,995</u>	<u>548,770</u>
Total district-wide	<u>\$ 42,834,561</u>	<u>\$ 43,611,505</u>	<u>\$ 41,849,048</u>	<u>\$ 43,134,535</u>	<u>\$ 42,840,230</u>	<u>\$ 44,495,659</u>	<u>\$ 45,962,341</u>	<u>\$ 47,477,918</u>	<u>\$ 49,295,035</u>	<u>\$ 50,421,989</u>
Change in Net Position										
Governmental activities	\$ 7,577,105	\$ 1,011,094	\$ (691,889)	\$ 2,166,838	\$ 570,049	\$ 1,370,319	\$ 997,477	\$ (359,819)	\$ (2,260,906)	\$ (1,652,022)
Business-type activities	(618,424)	(173,910)	(369,070)	(200,319)	(125,964)	475,317	725,922	35,555	(116,763)	(12,104)
Total district	<u>\$ 6,958,681</u>	<u>\$ 837,184</u>	<u>\$ (1,060,959)</u>	<u>\$ 1,966,519</u>	<u>\$ 444,085</u>	<u>\$ 1,845,636</u>	<u>\$ 1,723,399</u>	<u>\$ (324,264)</u>	<u>\$ (2,377,669)</u>	<u>\$ (1,664,126)</u>

Source: District's financial statements

HOBOKEN BOARD OF EDUCATION
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2009		2010		2011		2012		Fiscal Year Ended June 30,		2015		2016		2017		2018			
									2013		2014									
General Fund																				
Reserved	\$	1,924,576	\$	1,695,143																
Unreserved		940,462		1,735,257																
Restricted					\$	750,000	\$	130,665	\$	1	\$	800,001	\$	2,445,382	\$	4,861,482	\$	4,807,686	\$	6,840,360
Committed										203,765		-		-		246,640				
Assigned						1,258,749		1,872,333		2,361,823		2,866,346		2,783,069		1,335,833		567,178		231,170
Unassigned		940,462		1,735,257		(62,683)		(25,119)		(129,900)		(156,961)		(18,816)		(15,668)		114,380		12,130
Total general fund	\$	3,805,500	\$	5,165,657	\$	1,946,066	\$	1,977,879	\$	2,435,689	\$	3,509,386	\$	5,209,635	\$	6,428,287	\$	5,489,244	\$	7,083,660
All Other Governmental Funds																				
Reserved			\$	537,758																
Unreserved		225,989		(263,860)																
Restricted						616,428		384,149		269,437		94,154		248,033		1,038,572		3,001,590		457,798
Unassigned		-		-		(278,330)		-		(157,742)		-		-		-		(29,600)		(667,898)
Total all other governmental funds	\$	225,989	\$	273,898	\$	338,098	\$	384,149	\$	111,695	\$	94,154	\$	248,033	\$	1,038,572	\$	2,971,990	\$	(210,100)

Beginning with Fiscal Year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required.

Source: District's financial statements

HOBOKEN BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS ,
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Tax levy	\$ 36,073,367	\$ 36,764,796	\$ 36,761,743	\$ 36,758,684	\$ 36,755,753	\$ 38,220,173	\$ 39,426,390	\$ 41,004,666	\$ 42,502,765	\$ 43,857,211
Interest Earned		12,516	7,352	2,793	7,783	142	147	10,708	29,207	63,357
Miscellaneous	551,096	214,917	432,035	154,344	591,167	221,000	710,999	172,152	434,978	446,631
Tuition - LEA's	228,057	176,804	149,409	249,632	180,276	100,636	73,500	99,665	199,242	137,414
Tuition - Individuals	89,571	88,118	113,806	13,710	-	-	-	-	-	-
Tuition - Other	107,220	120,008		168,753	136,240					
Transportation Fees-Other LEAs		173,448	57,100	54,252	53,695	13,104	33,017	28,316	22,570	23,280
Rentals		806,669	232,468	261,470	238,691	261,645	543,838	497,947	649,883	515,350
State sources	23,873,047	19,978,903	19,477,211	22,365,442	23,657,807	24,500,920	25,324,507	27,625,522	29,308,052	29,899,539
Federal sources	3,078,925	3,278,573	3,205,434	2,938,106	2,861,579	2,170,164	2,201,913	2,445,196	2,191,932	1,985,032
Total revenue	64,001,283	61,614,732	60,436,358	62,967,186	64,482,991	65,487,784	68,314,311	71,884,172	75,338,629	76,927,814
Expenditures										
Instruction										
Regular Instruction	26,065,513	28,532,851	28,688,302	29,802,945	31,763,869	32,680,217	32,854,881	34,537,496	39,427,758	41,403,722
Special education instruction	5,442,924	6,463,972	6,562,400	7,373,851	7,993,013	6,639,832	6,953,392	7,626,133	8,244,065	8,421,677
Other special instruction										
School Sponsored CoCurricular/Athletics	1,208,959	1,309,947	1,277,799	1,304,718	1,236,547	1,106,301	1,252,381	1,359,208	1,674,555	1,856,079
Other instruction	462,898	796,685	500,218	399,523	399,911	119,448	97,326	105,643	210,805	324,618
Adult/Continuing Education	203,062	194,604	147,750	221,215	119,261	5,081	-	-	-	-
Support Services:										
Tuition										
Student & inst. related services	12,133,524	8,117,932	9,383,661	9,169,185	9,918,673	10,442,588	11,451,381	12,441,826	11,044,379	11,356,578
School administrative services	1,111,135	3,259,971	2,592,430	2,404,902	2,275,171	2,241,710	2,499,665	2,596,813	2,504,850	2,797,655
Other administrative services	1,912,839	1,732,651	1,495,815	1,189,244	971,938	1,051,102	1,020,650	993,816	1,015,491	938,810
Plant operations and maintenance	7,152,543	6,354,684	6,229,894	6,084,369	6,085,938	5,636,573	6,048,265	6,309,334	6,536,997	6,320,796
Central services	634,830	1,203,290	1,178,786	969,891	1,005,041	1,101,454	1,043,371	1,089,064	1,086,248	1,061,284
Pupil transportation	1,537,104	1,548,945	1,613,055	1,643,440	1,568,148	1,587,651	1,430,377	1,696,690	1,535,088	1,826,408
Employee benefits										
Special schools										
Transfer to charter school										
Debt service:										
Principal	267,641	256,827	246,474	253,276	260,597	468,280	200,000	200,000	200,000	423,723
Interest and other charges	54,881	45,692	36,174	26,304	16,061	18,280	9,998	7,141	5,713	59,315
Capital Outlay	5,839,111	857,604	1,903,934	2,046,459	1,683,467	850,151	775,963	911,817	2,324,310	2,876,053
Total expenditures	64,046,964	60,695,655	61,856,692	62,889,322	65,297,635	63,948,668	65,637,650	69,874,981	75,810,259	79,666,718
Excess (Deficiency) of revenues over (under) expenditures	(45,681)	919,097	(1,420,134)	77,864	(814,644)	1,539,116	2,676,661	2,009,191	(471,630)	(2,738,904)
Other Financing sources (uses)										
Lease Purchase Proceeds					1,000,000	-	-	-	1,900,000	1,700,000
Transfers in		674,347	746,851	741,615	737,625	893,161	766,174	1,672,063	4,577,018	2,438,871
Transfers out	(400,000)	(980,173)	(746,851)	(741,615)	(737,625)	(1,376,121)	(1,588,707)	(1,672,063)	(5,011,013)	(2,987,641)
Total other financing sources (uses)	(400,000)	(305,826)	-	-	1,000,000	(482,960)	(822,533)	-	1,466,005	1,151,230
Special Item										
Prior year adjustment										
Prior year expenditure										
Accounts receivable canceled										
Current Year expenditure										
Accounts payable canceled										
Total special item	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ (445,681)	\$ 613,271	\$ (1,420,134)	\$ 77,864	\$ 185,356	\$ 1,056,156	\$ 1,854,128	\$ 2,009,191	\$ 994,375	\$ (1,587,674)
Debt service as a percentage of noncapital expenditures	9.20%	1.49%	3.14%	3.30%	2.60%	0.77%	0.32%	0.30%	0.27%	0.61%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

**HOBOKEN BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund										
Interest on Investments	\$ 38,540	\$ 12,516	\$ 7,352	\$ 2,793	\$ 7,721	\$ 126	\$ 143	\$ 10,705	\$ 27,182	\$ 50,350
Rentals (Incl. Charter Schools)	44,800	806,669	232,468	261,470	238,691	261,645	543,838	497,947	649,883	515,350
Transportation Fees-Other LEAs		173,448	57,100	54,252	53,695	13,104	33,017	28,316	22,570	23,280
E- Rate Reimbursements	258,420	146,103	162,198	-	77,151	62,595	-	-	-	-
Unspent Insurance Proceeds					203,765	-	-	-		
Reimburse Prior Year Expenditures									188,100	
Cancel Other Current Liabilities										331,943
Other Miscellaneous	<u>202,825</u>	<u>68,814</u>	<u>250,781</u>	<u>137,980</u>	<u>293,223</u>	<u>145,471</u>	<u>155,658</u>	<u>155,426</u>	<u>237,023</u>	<u>106,283</u>
Total Miscellaneous	<u>544,585</u>	<u>1,207,550</u>	<u>709,899</u>	<u>456,495</u>	<u>874,246</u>	<u>482,941</u>	<u>732,656</u>	<u>692,394</u>	<u>1,124,758</u>	<u>1,027,206</u>
Tuition	<u>424,848</u>	<u>384,930</u>	<u>263,215</u>	<u>432,095</u>	<u>316,516</u>	<u>100,636</u>	<u>73,500</u>	<u>99,665</u>	<u>199,242</u>	<u>137,414</u>
	<u>\$ 969,433</u>	<u>\$ 1,592,480</u>	<u>\$ 973,114</u>	<u>\$ 888,590</u>	<u>\$ 1,190,762</u>	<u>\$ 583,577</u>	<u>\$ 806,156</u>	<u>\$ 792,059</u>	<u>\$ 1,324,000</u>	<u>\$ 1,164,620</u>

Source: District's financial records

**HOBOKEN BOARD OF EDUCATION
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2009	\$ 56,644,700	\$ 2,053,752,500	\$ 482,531,900	\$ 41,402,400	\$ 362,582,400	\$ 2,996,913,900	\$ 1,161,126	\$ 2,998,075,026	\$ 10,400,532,184	\$ 1.176
2010	47,937,300	2,081,892,900	480,581,300	40,665,300	383,948,000	3,035,024,800	1,118,246	3,036,143,046	11,178,729,919	1.199
2011	34,761,900	2,056,679,800	480,933,310	40,165,300	396,556,000	3,009,096,310	1,134,399	3,010,230,709	10,442,072,491	1.221
2012	29,298,900	2,033,032,900	469,684,110	39,401,600	397,316,700	2,968,734,210	1,348,479	2,970,082,689	10,327,001,819	1.238
2013	27,472,900	2,076,548,000	483,852,510	37,722,600	401,669,100	3,027,265,110	1,751,720	3,029,016,830	9,847,950,817	1.241
2014 **	60,609,700	7,573,678,200	1,829,715,500	110,075,800	1,445,195,800	11,019,275,000	5,831,894	11,025,106,894	10,132,594,885	0.352
2015	65,559,200	7,739,770,200	1,801,637,200	107,631,800	1,437,932,500	11,152,530,900	5,652,133	11,158,183,033	11,040,012,592	0.361
2016	60,454,600	7,810,093,400	1,812,063,800	107,167,900	1,428,414,500	11,218,194,200	5,295,197	11,223,489,397	12,258,159,822	0.372
2017	59,219,900	7,888,306,200	1,882,106,300	95,213,600	1,431,277,300	11,356,123,300	4,828,686	11,360,951,986	13,600,134,323	0.386
2018	61,210,000	8,080,935,400	1,976,185,800	92,427,600	1,437,701,700	11,648,460,500	4,944,820	11,653,405,320	17,341,543,272	0.379

Sources: Form SR-3a, City of Hoboken
 Final Equalization Table, County of Hudson
 Certificate and Report of School Taxes (A-4F), Hoboken School District

^a Tax rates are per \$100
 ** The City of Hoboken had a revaluation done in 2014

HOBOKEN BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)

Calendar Year	Total Direct School Tax Rate		Overlapping Rates			Total Direct and Overlapping Tax Rate
	Hoboken Local School District	City of Hoboken	County of Hudson	Library tax		
2009	\$ 1.176	\$ 1.957	\$ 1.356	\$ -	\$ 4.489	
2010	1.199	2.042	1.504	-	4.745	
2011	1.221	1.731	1.556	0.113	4.621	
2012	1.238	1.732	1.672	0.108	4.750	
2013	1.241	1.698	1.754	0.105	4.798	
2014	** 0.352	0.489	0.554	0.033	1.428	
2015	0.361	0.489	0.610	0.037	1.497	
2016	0.372	0.500	0.640	0.039	1.551	
2017	0.386	0.474	0.688	0.044	1.592	
2018	0.379	0.494	0.661	0.046	1.580	

** - The City of Hoboken had a revaluation done in 2014

**HOBOKEN BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2018		2009	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Sovereign Limited LP	\$ 102,913,000	0.88%		
ASN Hoboken I & I LLC	102,706,000	0.88%		
BIT Investment 61 LLC	96,574,200	0.83%		
DSF IV Hoboken Owner LLC	90,708,000	0.78%		
Taylor Morgan Lasalle Invest Mgmt	85,271,500	0.73%		
1130 Grand St Hoboken LLC	85,105,000	0.73%		
Machine Shop Associates c/o Applied	78,570,000	0.67%		
North Independence Associates LP	75,121,000	0.64%		
MPT of Hoboken	65,533,800	0.56%		
Monroe Properties, LLC	58,413,800	0.50%		
Individual			\$ 12,823,600	0.72%
KB Opportunity			11,000,000	0.62%
River Road Realty			8,800,000	0.49%
Hudson Square South			8,000,000	0.45%
300 Grand Street			7,100,000	0.40%
Baker Family Partnership			7,000,000	0.39%
101 Clinton Street			6,700,000	0.38%
Observer Park Association			6,200,000	0.35%
Trio Partners			6,000,000	0.34%
Washington-Hudson Associates			5,199,400	0.30%
	\$840,916,300	7.22%	\$ 78,823,000	4.44%

Source: Municipal Tax Assessor, 2009 Audit Report

**HOBOKEN BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended <u>June 30,</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	Percent of Tax Levy <u>Collected</u>
2009	\$ 36,073,367	\$ 36,073,367	100.00%
2010	36,764,796	36,764,796	100.00%
2011	36,761,743	36,761,743	100.00%
2012	36,758,684	36,758,684	100.00%
2013	36,755,753	36,755,753	100.00%
2014	38,220,173	38,220,173	100.00%
2015	39,426,390	39,426,390	100.00%
2016	41,004,666	41,004,666	100.00%
2017	42,502,765	42,502,765	100.00%
2018	43,857,211	43,857,211	100.00%

Source: District financial records

HOBOKEN BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Percentage of Personal Income	Per Capita
	Loans	Total District		
2009	\$ 1,285,454	\$ 1,285,454	N/A	32
2010	1,028,627	1,028,627	N/A	25
2011	782,153	782,153	N/A	16
2012	528,877	528,877	N/A	10
2013	268,280	268,280	N/A	5
2014	NONE	-	N/A	N/A
2015	NONE	-	N/A	N/A
2016	NONE	-	N/A	N/A
2017	NONE	-	N/A	N/A
2018	NONE	-	N/A	N/A

Source: District records

N/A - Not Available

HOBOKEN BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

General Bonded Debt Outstanding					
Fiscal Year Ended June 30,	General Obligation Bonds/ Loans	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2009	\$ 1,285,454	\$ -	\$ 1,285,454	0.04%	\$ 32
2010	1,028,627		1,028,627	0.03%	25
2011	782,153		782,153	0.03%	16
2012	528,877		528,877	0.02%	10
2013	268,280		268,280	0.01%	5
2014	NONE		NONE	N/A	N/A
2015	NONE		NONE	N/A	N/A
2016	NONE		NONE	N/A	N/A
2017	NONE		NONE	N/A	N/A
2018	NONE		NONE	N/A	N/A

Source: District records

**HOBOKEN BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
FOR THE YEAR ENDED DECEMBER 31, 2017
(Unaudited)**

	<u>Gross Debt</u>	<u>Deduction</u>	<u>Net Debt</u>
MUNICIPAL DEBT:			
Self Liquidating Debt - City	\$ 24,510,000	\$ 24,510,000	
City of Hoboken	<u>180,891,063</u>	<u>360,974</u>	<u>\$ 180,530,089</u>
	<u>\$ 205,401,063</u>	<u>\$ 24,870,974</u>	<u>180,530,089</u>
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY			
County of Hudson (A)			104,413,646
North Hudson Sewerage Authority			<u>109,363,628</u>
Overlapping Debt			<u>213,777,274</u>
Total Direct and Overlapping Outstanding Debt			<u>\$ 394,307,363</u>

SOURCE:

- (1) City of Hoboken 2017 Annual Debt Statement
- County of Hudson 2017 Annual Debt Statement
- Final Equalization Table, County of Hudson 2017

(A) The debt for this entity was apportioned to City of Hoboken by dividing the municipality's 2017 equalized value by the total 2017 equalized value for the County of Hudson.

**HOBOKEN BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

Legal Debt Margin Calculation for Fiscal Year 2018

Equalized valuation basis	
	2015 13,251,581,393
	2016 15,122,936,371
	2017 <u>16,422,448,735</u>
	<u>44,796,966,499</u>
Average Equalized Valuation of Taxable Property	\$ 14,932,322,166
Debt Limit (4 % of average equalization value)	597,292,887
Total Net Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>\$ 597,292,887</u>

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 365,426,531	\$ 407,213,582	\$ 417,682,900	\$ 413,080,073	\$ 393,918,033	\$ 405,303,795	\$ 441,600,504	\$ 441,600,504	\$ 544,005,373	\$ 597,292,887
Total net debt applicable to limit	<u>1,285,454</u>	<u>1,028,627</u>	<u>782,153</u>	<u>528,877</u>	<u>268,280</u>	-	-	-	-	-
Legal debt margin	<u>\$ 364,141,077</u>	<u>\$ 406,184,955</u>	<u>\$ 416,900,747</u>	<u>\$ 412,551,196</u>	<u>\$ 393,649,753</u>	<u>\$ 405,303,795</u>	<u>\$ 441,600,504</u>	<u>\$ 441,600,504</u>	<u>\$ 544,005,373</u>	<u>\$ 597,292,887</u>
Total net debt applicable to the limit as a percentage of debt limit	0.35%	0.25%	0.19%	0.13%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Annual Debt Statements

**HOBOKEN BOARD OF EDUCATION
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)**

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2008	40,314 (E)	\$ 41,848 (R)	3.1%
2009	41,015 (E)	44,735 (R)	5.7%
2010	50,100 (E)	42,981 (R)	5.6%
2011	50,989 (E)	44,598 (R)	5%
2012	51,981 (E)	45,609 (R)	5%
2013	52,948 (E)	47,153 (R)	4.3%
2014	53,509 (E)	47,867 (R)	4.3%
2015	54,033 (E)	51,056 (R)	2.7%
2016	55,044 (E)	54,768 (R)	2.4%
2017	55,131 (E)	55,986 (R)	2.3%

Source: New Jersey State Department of Education

(E) - Estimate

(R) - Revised

**HOBOKEN BOARD OF EDUCATION
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Employer	2017**		2008	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment
John Wiley & Sons Inc.	4,900	25.76%		
Hoboken University Medical Center	1,647	8.66%		
Marsh USA, Inc.	1,500	7.88%		
City of Hoboken	800	4.20%		
NJ Transit Corp.	700	3.68%		
Academy Lines Inc.	570	3.00%		
Shipco Transport	550	2.89%		
Stevens Institute of Technology	500	2.63%		
Hoboken Board of Education	448	2.35%		
Guy Carpenter & Co. Inc.	250	1.31%		
Marsh USA, Inc.			1,500	9.12%
Hoboken University Medical Center (formerly St. Mary Hospital)			1,200	7.29%
NJ Transit Corp.			700	4.25%
City of Hoboken			571	3.47%
Hoboken Board of Education			537	3.13%
Stevens Institute of Technology			500	3.04%
TTI Team Telecom International			400	2.43%
Hudson Sewing Inc. (Vision Textiles)			300	1.82%
Academy Bus Tours Inc.			250	1.52%
Minolance, Inc.			225	1.37%
	11,865	62.36%	6,183	37.44%

Sources: NJ Dept. of Labor - Employment and Wage Data, Municipal Annual Report
Hudson County Economic Development Commission, Major Employers List

**-2018 not available at time of audit preparation

HOBOKEN BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Instruction	197.4	184.00	208.40	206.80	206.80	232.90	223.50	237.00	228.70	247.6
Support Services:										
Student & instruction related services	71.7	89.60	73.50	66.50	66.50	41.50	41.20	44.50	43.00	35.00
General administration	2.0	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
School administrative services	5.0	5.00	15.00	14.20	14.20	29.00	26.60	27.10	26.00	26.90
Central and Other Support Services	2.6	1.60	6.00	8.00	8.00	17.50	14.50	14.50	20.50	22.50
Plant operations and maintenance	48.3	64.50	42.20	50.00	50.00	79.50	69.10	78.50	52.70	53.00
Pupil transportation	21.0	20.00	28.50	25.00	25.00	1.50	1.50	1.50	1.50	2.00
Special Revenue	14.2	10.90	19.60	20.10	20.10	7.00	7.00	7.00		
Other	6.0	10.00	10.50	-	-	-	-	-	-	
Total	<u>368.2</u>	<u>388.6</u>	<u>405.7</u>	<u>392.6</u>	<u>392.6</u>	<u>410.9</u>	<u>385.4</u>	<u>412.1</u>	<u>374.4</u>	<u>389.0</u>

Source: District Personnel Records

N/A - Not Available

Note - Starting in fiscal year 2014, used the New Jersey Department of Education's certified and non-certified staff reports as source data.

HOBOKEN BOARD OF EDUCATION
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Teacher/Pupil Ratio				Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Pre-kindergarten ^g	Elementary ^d	Middle School ^e	High School ^f				
2009	2,223	58,003,291	26,092	-1.24%	230		9.52	9.07	7.30	1,874	1,719	-18.17%	91.73%
2010	2,340	59,535,532	25,443	-2.49%	238		8.93	8.77	7.93	1,937	1,791	3.36%	92.46%
2011	2,317	59,670,110	25,753	1.22%	227		8.41	8.25	11.4	1,790	1,656	-7.59%	92.51%
2012	2,343	60,563,283	25,849	0.37%	204	7.34	8.51	N/A	9.80	2,333	2,177	30.34%	93.31%
2013	2,363	63,337,510	26,804	3.70%	249		10.13	N/A	10.0	1,710	1,609	-26.71%	94.09%
2014	2,431	62,611,957	25,756	-3.91%	221	10.92	9.36	N/A	10.0	1,719	1,611	0.53%	93.72%
2015	2,470	64,651,689	26,175	1.63%	229	12.95	9.64	N/A	10.0	1,716	1,612	-0.17%	93.94%
2016	2,546	68,406,023	26,868	2.65%	207	10.00	8.18	N/A	9.0	1,777	1,765	3.55%	99.32%
2017	2,596	73,280,236	28,228	5.06%	195		8.74	7.00	8.00	1,770	1,667	-0.41%	94.23%
2018	2,686	76,307,627	28,409	0.64%	206	N/A	N/A	N/A	N/A	1,865	1,758	5.39%	94.26%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.
 - d For 2008, elementary consists of Calabro (K-6), Connors (K-6) and Wallace (K-6) Schools.
 - e For 2008, middle school consists of Brandt (8), Calabro (7), Connors (7) and Wallace (7) Schools.
For 2012, middle school no longer exists
 - f For 2008, high school consists of Hoboken High (9-12) and Demarest Alternate (7-12) Schools.
For 2014, high school consists of Hoboken High (7-12).
 - g For 2008, pre-kindergarten consists of Brandt, Calabro, Connors and Wallace Schools.
For 2012, pre-kindergarten consists of Brandt, Connors and Wallace.

N/A Information not available

HOBOKEN BOARD OF EDUCATION
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
District Building										
Elementary School										
Wallace No. 6 (1972)										
Square Feet	152,094	152,094	152,094	152,094	152,094	152,094	152,094	152,094	152,094	152,094
Capacity (Students)	565	565	565	565	565	565	565	565	565	565
Enrollment	713	744	666	666	590	605	599	632	631	687
Thomas G. Connors (1908)										
Square Feet	65,799	65,799	65,799	65,799	65,799	65,799	65,799	65,799	65,799	65,799
Capacity (Students)	338	338	338	338	338	338	338	338	338	338
Enrollment	383	346	267	267	257	257	229	224	244	233
Salvatore R. Calabro No. 4 (1976)										
Square Feet	41,550	41,550	41,550	41,550	41,550	41,550	41,550	41,550	41,550	41,550
Capacity (Students)	137	137	137	137	137	137	137	137	137	137
Enrollment	162 *	160 *	134	134	132	128	119	118	116	121
Joseph F. Brandt No. 2 (1920)										
Square Feet	77,945	77,945	77,945	77,945	77,945	77,945	77,945	77,945	77,945	77,945
Capacity (Students)	469	469	469	469	469	469	469	469	469	469
Enrollment	490	82	56	56	60	111	269	283	163	234
Hoboken Middle School **										
A.J. Demarest (1910)										
Square Feet	89,042	89,042	89,042	89,042	89,042	89,042	89,042	89,042	89,042	89,042
Capacity (Students)	425	425	425	425	425	425	425	425	425	425
Enrollment	70	73	-	-	-	-	-	-	212	185
Hoboken High (1962)										
Square Feet	193,780	193,780	193,780	193,780	193,780	193,780	193,780	193,780	193,780	193,780
Capacity (Students)	829	829	829	829	829	829	829	829	829	829
Enrollment	537	508	667	667	586	683	643	664	452	406
JFK Athletic Complex										
Square Feet	154,358	154,358	154,358	154,358	154,358	154,358	154,358	154,358	154,358	154,358
Capacity (Students)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Number of Schools at June 30, 2018

- Pre-K/Kindergarten - 1
- Elementary - 3
- Middle School - 1
- Junior/Senior High School - 1

* Swing Space enrollment included
 ** Middle School part of High School during FY2017

Source: District Records, Department of Buildings and Grounds

HOBOKEN BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-XXX

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
*School Facilities										
Hoboken High School	\$ 433,124	\$ 324,557	\$ 341,738	\$ 252,949	\$ 179,317	\$ 291,276	\$ 284,932	\$ 466,139	\$ 501,602	\$ 386,854
A.J. Demarest	165,665	133,241	147,390	166,447	179,087	164,827	140,046	193,442	156,981	265,098
Joseph F. Brandt No. 2	107,077	93,637	101,228	109,312	129,657	145,145	317,280	140,364	161,541	190,780
Salvatore R. Calabro No. 4	45,959	40,073	41,599	68,530	97,272	91,497	247,793	93,516	106,197	107,878
Thomas G. Connors	135,095	101,903	119,915	166,447	248,677	267,180	205,388	229,756	206,415	184,055
Wallace No. 6	463,790	332,411	340,285	142,947	156,833	298,468	244,328	359,881	258,388	252,076
JFK Stadium	4,272	4,726	17,180	7,494	6,773	43,068	34,623	28,597	50,416	26,694
Grand Total School Facilities	\$ 1,354,982	\$ 1,030,548	\$ 1,109,335	\$ 914,126	\$ 997,616	\$ 1,301,461	\$ 1,474,390	\$ 1,511,695	\$ 1,441,540	\$ 1,413,435

Source: District Records

**HOBOKEN BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2018
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>	
School Package Policy - N.J.S.I.G			
Blanket Real and Personal Property	500,000,000 per occurrence	\$ 5,000	
Extra Expense	50,000,000	5,000	
Valuable Papers and Records	10,000,000	5,000	
Flood Special Flood Hazard Area Flood Zones	25,000,000	500,000	per building
		500,000	per building contents
All Other Flood Zones	75,000,000	10,000	
Earthquake	50,000,000	5,000	
Increase Cost of Construction	25,000,000	5,000	
Terrorism	1,000,000	5,000	
Electronic Data Processing - N.J.S.I.G			
Limit - Hardware Equipment	1,500,000	1,000	
Coverage Extension - Transit	1,500,000	1,000	
Coverage Extension - Loss of Income	1,500,000	1,000	
Boiler and Machinery - N.J.S.I.G			
Liability Limit - Property Damage and Business Income	100,000,000	5,000	
Perishable Goods	500,000	5,000	
Expediting Expenses	500,000	5,000	
Hazardous Substances	500,000	5,000	
Off-Premise Property Damage	100,000	5,000	
Extra Expense	10,000,000	5,000	
Service Interruption	10,000,000	5,000	
Data Restoration	100,000	5,000	
Contingent Business Income	100,000	5,000	
Demolition	1,000,000	5,000	
Ordinance of Law	1,000,000	5,000	
Newly Acquired Locations - 120 Days Notice	250,000	5,000	
General Liability - N.J.S.I.G			
Bodily Injury and Property Damage	11,000,000	-	
Bodily Injury from Products and Completed Operations	11,000,000	-	
Child Molestation/Sexual Abuse	11,000,000	-	
Personal Injury and Advertising Injury	11,000,000	-	
Employee Benefit Liability	11,000,000	1,000	
Premises Medical Payments			
Per Person	5,000	-	
Each Accident	10,000	-	
Terrorism	1,000,000	-	

Source: District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
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ANDREW D. PARENTE, CPA, RMA, PSA

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DEBRA GOLLE, CPA
MARK SACO, CPA
SHERYL M. LEIDIG, CPA, PSA
ROBERT LERCH, CPA
CHRIS SOHN, CPA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Hoboken Board of Education
Hoboken, New Jersey

We have audited, in accordance with the 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 prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hoboken Board of Education as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Hoboken Board of Education's basic financial statements and have issued our report thereon dated January 28, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2018-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Hoboken Board of Education's financial statements are free from 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 an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and which is described in the accompanying schedule of findings and questioned costs as item 2018-001.

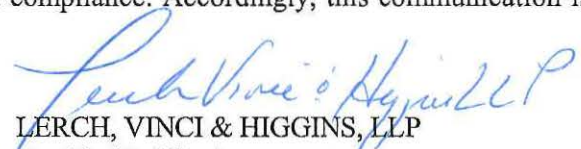
We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Hoboken Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated January 28, 2019.

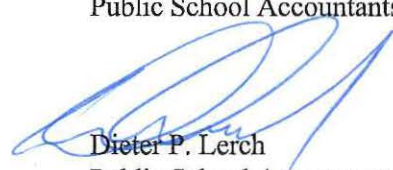
Hoboken Board of Education's Responses to Findings

The Hoboken Board of Education's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Hoboken Board of Education's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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


LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
January 28, 2019



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
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JEFFREY C. BLISS, CPA, RMA, PSA
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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Hoboken Board of Education
Hoboken, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Hoboken Board of Education's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Hoboken Board of Education's major federal and state programs for the fiscal year ended June 30, 2018. The Hoboken Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2018-002. Our opinion on each major federal and state program is not modified with respect to this matter.

The Hoboken Board of Education's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Hoboken Board of Education's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

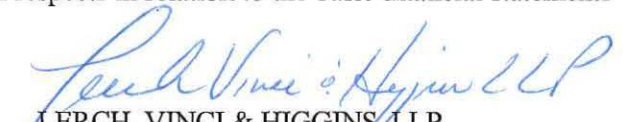
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

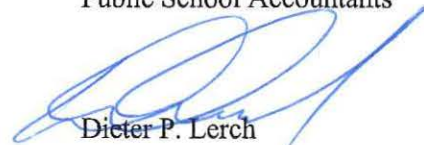
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

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

Report on Schedule of Expenditures of Federal Awards Required by the U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hoboken Board of Education, as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated January 28, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
January 28, 2019

HOBOKEN BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Program or Award Amount	Project Period	Balance at July 1, 2017	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjust Receivables	Adjustments (1)	Funds Released		Balance at June 30, 2018			Memo GAAP Receivable		
												Accounts Receivable	Unearned revenue	(Account Receivable)	Unearned Revenue	Due to Grantor			
U.S. Department of Agriculture																			
Passed-through State Department of Education																			
Enterprise Fund																			
National School Lunch Program																			
Non-Cash Assistance (Food Distribution)	10.555	181NJ304N1099	N/A	\$ 67,171	7/1/17-6/30/18			\$ 67,171	\$ 65,551							\$ 1,620			
Non-Cash Assistance (Food Distribution)	10.555	171NJ304N1099	N/A	73,315	7/1/16-6/30/17	\$ 2,064			2,064										
Cash Assistance	10.555	181NJ304N1099	N/A	435,678	7/1/17-6/30/18			399,616	435,678				\$ (36,062)				\$ (36,062)		
Cash Assistance	10.555	171NJ304N1099	N/A	434,675	7/1/16-6/30/17	(34,810)		34,810											
National School Breakfast	10.553	181NJ304N1099	N/A	67,622	7/1/17-6/30/18			62,024	67,622									(5,598)	
National School Breakfast	10.553	171NJ304N1099	N/A	76,569	7/1/16-6/30/17	(6,169)		6,169											
Total Child Nutrition Cluster						(38,915)		569,790	570,915							(41,660)	1,620	(41,660)	
Child and Adult Care Food Program	10.558	181NJ304N1099	N/A	62,432	7/1/17-6/30/18			45,687	62,432									(16,745)	
Child and Adult Care Food Program	10.558	171NJ304N1099	N/A	70,202	7/1/16-6/30/17	(19,715)		19,715											
Total U.S. Department of Agriculture/Food Service Enterprise Fund						(58,630)		635,192	633,347								(58,405)	1,620	(58,405)
U.S. Department of Health & Human Services- Passed through State Dept. of Education																			
General Fund																			
Medical Assistance Program	93.778	1805N15MAP	N/A	85,801	7/1/17-6/30/18			85,801	85,801										
Total Medicaid Cluster								85,801	85,801										
Total U.S. Dept. of Health & Human Services/ General Fund								85,801	85,801										
U.S. Department of Education																			
Passed-through State Department of Education																			
Impact Aid	84.041		40-NJ-01-2901	118,954	7/1/17-6/30/18			46,809	46,809										
Total U.S. Department of Education/General								46,809	46,809										
U.S. Department of Housing and Urban Development-																			
Passed-through State Department of Community Affairs																			
Hurricane Sandy Community Development Block Grant- Disaster Recovery	14.269			37,768	7/1/16-6/30/17	(710)													(710)
Total U.S. Department of Housing and Urban Development/General Fund						(710)													(710)
Total General Fund						(710)		132,610	132,610										(710)
Special Revenue Fund																			
I.D.E.A. Part B, Basic Regular	84.027	H027A170109	IDEA-2210-18	829,136	7/1/17-6/30/18		\$ 221,969	797,912	876,631	\$ (221,969)	\$ -								(253,193)
I.D.E.A. Part B, Basic Regular	84.027	H027A160100	IDEA-2210-17	761,638	7/1/16-6/30/17	(133,075)	(221,969)	123,675		221,969	10,400								174,474
I.D.E.A. Part B, Preschool	84.173	H173A170114	IDEA-2210-18	20,862	7/1/17-6/30/18			20,555	20,555	(21,175)		\$ 620	\$ (620)						(20,862)
I.D.E.A. Part B, Preschool	84.173	H173A160114	IDEA-2210-17	20,014	7/1/16-6/30/17	10,400	(21,175)			21,175	(10,400)								20,862
Total Special Education Cluster (IDEA)						(122,675)		941,142	897,186			620	(620)						(274,055)
Total Title I	84.010A	S010A170030	ESEA-2210-18	755,424	7/1/17-6/30/18		11,510	697,866	714,033	(11,510)									(69,068)
Total Title I	84.010A	S010A160030	ESEA-2210-17	843,784	7/1/16-6/30/17	(51,980)	(11,510)	51,980		11,510									52,901
Total I- SIA	84.010A	S010A170030	ESEA-2210-18	65,309	7/1/17-6/30/18				63,909										(65,309)

Continued

HOBOKEN BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Program or Award Amount	Project Period	Balance at July 1, 2017	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjust Receivables	Adjustments (1)	Funds Released		Balance at June 30, 2018			Memo GAAP Receivable	
												Accounts Receivable	Unearned Revenue	(Account Receivable)	Unearned Revenue	Due to Granter		
U.S. Department of Education Passed-through State Department of Education																		
Special Revenue Fund (Continued)																		
Title II Part A	84.367A	S367A170029	ESEA-2210-18	\$ 58,912	7/1/17-6/30/18		\$ 82,234	\$ 104,279	\$ 123,971	\$ (82,234)					\$ (36,867)	\$ 17,175		\$ (19,692)
Title II Part A	84.367A	S367A160029	ESEA-2210-17	250,528	7/1/16-6/30/17	\$ (43,829)	(82,234)	43,829		82,234								
Title III	84.365A	S365A170030	ESEA-2210-18	4,569	7/1/17-6/30/18			4,000	4,000						(569)	569		-
Title III	84.365A	S365A160030	ESEA-2210-17	14,984	7/1/16-6/30/17	(10,395)		10,395							-	-		-
Title III Immigrant	84.365A	S365A170030	ESEA-2210-18	2,517	7/1/17-6/30/18			1,032	1,070	(12,172)		\$ 11,102	\$ (11,102)	(2,555)	2,517			(38)
Title III Immigrant	84.365A	S065A160030	ESEA-2210-17	12,172	7/1/16-6/30/17	-	(12,172)	-	-	12,172					-	-		-
Total Title III (English Language Acquisition) Cluster						(10,395)	-	15,427	5,070	-	-	11,102	(11,102)	(3,124)	3,086	-		(38)
Title IV	84.424	S424A170031	ESEA-2210-18	10,677	7/1/17-6/30/18	-	-	5,072	5,664	-	-	-	-	-	(5,605)	5,013		(592)
Temporary Impact Aid	84.938C	S938C18005		72,125	7/1/17-6/30/18	-	-	-	72,125	-	-	-	-	-	(72,125)	-		(72,125)
Total U.S. Department of Education/Special Revenue Fund						(228,879)	-	1,859,595	1,881,958	-	-	11,722	(11,722)	(526,153)	274,911	-		(251,242)
U.S. Department of Homeland Security																		
FEMA- Hurricane Sandy	97.036			954,322		(23,823)	-	-	-	-	-	-	-	-	(443,352)	419,529		(23,823)
Total U.S. Department of Homeland Security						(23,823)	-	-	-	-	-	-	-	-	(443,352)	419,529		(23,823)
Total FEMA																		
Total Special Revenue Fund						(252,702)	-	1,859,595	1,881,958	-	-	11,722	(11,722)	(969,505)	694,440	-		(275,055)
Total Federal Awards						\$ (312,042)	\$ -	\$ 2,627,397	\$ 2,647,915	\$ -	\$ -	\$ 11,722	\$ (11,722)	\$ (1,028,620)	\$ 696,060	\$ -		\$ (334,180)

(1) Represents cancelled encumbrances/payables and cancelled accounts receivable in the Special Revenue Fund.

HOBOKEN BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period	Balance, at July 1, 2017	Cash Received	Transfer from General Fund	Budgetary Expenditures	Carryovers	Adjustments	Repayment of Prior Years Balance	Balance at June 30, 2018			MEMO		
											(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cum. Total Expenditures	
State Department of Education																
General Fund																
Transportation Aid	18-495-034-5120-014	\$ 124,453	7/1/17-6/30/18		\$ 112,008		\$ 124,453									\$ 124,453
Transportation Aid	17-495-034-5120-014	124,453	7/1/16-6/30/17	\$ (12,445)	12,445											
State Aid Public Cluster																
Special Education Categorical Aid	18-495-034-5120-089	1,492,059	7/1/17-6/30/18		1,350,110	-	1,492,059				(141,949)					\$ 1,492,059
Special Education Categorical Aid	17-495-034-5120-089	1,492,059	7/1/16-6/30/17	(142,609)	142,609											
School Choice Aid	18-495-034-5120-068	2,645,874	7/1/17-6/30/18		2,381,287		2,645,874				(264,587)					2,645,874
School Choice Aid	17-495-034-5120-068	2,645,874	7/1/16-6/30/17	(264,587)	264,587											
Security Aid	18-495-034-5120-084	727,825	7/1/17-6/30/18		655,042		727,825				(72,783)					727,825
Security Aid	17-495-034-5120-084	727,825	7/1/16-6/30/17	(72,783)	72,783											
Adjustment Aid	18-495-034-5120-085	5,148,455	7/1/17-6/30/18		4,633,609		5,148,455				(514,846)					5,148,455
Adjustment Aid	17-495-034-5120-085	5,362,105	7/1/16-6/30/17	(562,663)	562,663											
Aid Adjustment Aid	18-495-034-5120-085	255,024	7/1/17-6/30/18		229,520		255,024				(25,504)					255,024
PARCC Readiness Aid	18-495-034-5120-098	24,610	7/1/17-6/30/18		22,149		24,610				(2,461)					24,610
PARCC Readiness Aid	17-495-034-5120-098	24,610	7/1/16-6/30/17	(2,461)	2,461											
Per Pupil Growth Aid	18-495-034-5120-097	24,610	7/1/17-6/30/18		22,149		24,610				(2,461)					24,610
Per Pupil Growth Aid	17-495-034-5120-097	24,610	7/1/16-6/30/17	(2,461)	2,461											
Professional Learning Community Aid	18-495-034-5120-101	25,960	7/1/17-6/30/18		23,364		25,960				(2,596)					25,960
Professional Learning Community Aid	17-495-034-5120-101	25,960	7/1/16-6/30/17	(2,596)	2,596											
Total State Aid Public Cluster				(1,050,160)	10,367,390	-	10,344,417	-	-	-	(1,027,187)	-	-	-	-	10,344,417
Extraordinary Aid																
Extraordinary Aid	18-100-034-5120-473	270,204	7/1/17-6/30/18				270,204				(270,204)					270,204
Extraordinary Aid	17-100-034-5120-473	258,417	7/1/16-6/30/17	(258,417)	258,417											
TPAF Social Security Tax	18-495-034-5094-003	1,520,922	7/1/17-6/30/18		1,446,230		1,520,922				(74,692)					1,520,922
TPAF Social Security Tax	17-495-034-5094-003	1,483,926	7/1/16-6/30/17	(73,973)	73,973											
Lead Testing for Schools Aid	18-495-034-5120-104	7,900	7/1/17-6/30/18		7,900		7,900									7,900
TPAF On Behalf Pension																
NCCI	18-495-034-5094-004	2,777,363	7/1/17-6/30/18		2,777,363		2,777,363									2,777,363
Normal Costs	18-495-034-5094-002	67,400	7/1/17-6/30/18		67,400		67,400									67,400
Long Term Disability Insurance	18-495-034-5094-004	5,062	7/1/17-6/30/18		5,062		5,062									5,062
Post Retirement Med. Contrib.	18-495-034-5094-001	1,837,371	7/1/17-6/30/18		1,837,371		1,837,371									1,837,371
Total On-Behalf TPAF Contributions				-	4,687,196	-	4,687,196	-	-	-	-	-	-	-	-	4,687,196
Total General Fund				(1,394,995)	16,965,589	-	16,955,092	-	-	-	(1,384,528)	-	-	-	(74,692)	16,955,092
Special Revenue Fund																
Preschool Education Aid	18-495-034-5120-086	12,187,272	7/1/17-6/30/18		10,968,545	344,820	13,103,441	\$ 1,122,148	\$ 30		\$ (1,218,727)	\$ 550,829				13,103,441
Preschool Education Aid	17-495-034-5120-086	11,517,480	7/1/16-6/30/17	(29,600)	1,151,748		1,151,748	(1,122,148)								
Family Friendly Centers	18-100-034-5120-344	45,463	7/1/17-6/30/18		45,463		45,463									45,463
Family Friendly Centers	16-100-034-5120-344	45,463	7/1/16-6/30/16	18				(18)								
Family Friendly Centers	15-100-034-5120-344	45,463	7/1/14-6/30/15	100				(100)								
Family Friendly Centers	17-100-034-5120-344	45,463	7/1/16-6/30/17	2,413								2,413				
NJ School Based Youth Services	18-7550-100-452-05	271,359	7/1/17-6/30/18		271,359		270,393						966			270,393
NJ School Based Youth Services	16-7550-100-452-05	267,026	7/1/16-6/30/16	585				(585)								
NJ School Based Youth Services	17-7550-100-452-05	263,976	7/1/16-6/30/17	588									588			
NJ School Based Youth Services- Direct Care	15-7750-100-452-05	2,474	7/1/14-6/30/15	2,474				(2,474)								
Nonpublic Aid																
Nonpublic Textbooks	18-100-034-5120-064	58,560	7/1/17-6/30/18		58,560		58,436						124			58,436
Nonpublic Textbooks	17-100-034-5120-064	61,387	7/1/16-6/30/17	2,278						2,278						
Nonpublic Nursing	18-100-034-5120-070	104,954	7/1/17-6/30/18		104,954		104,954									104,954
Nonpublic Technology	18-100-034-5120-373	39,553	7/1/17-6/30/18		39,553		38,862						691			38,862
Nonpublic Technology	17-100-034-5120-373	27,690	7/1/16-6/30/17	2,115						2,115						
Nonpublic Security	18-100-034-5120-509	81,190	7/1/17-6/30/18		81,190		54,412							26,778		54,412
Nonpublic Security	17-100-034-5120-509	53,850	7/1/16-6/30/17	11,188						11,188						

HOBOKEN BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grants/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period	Balance, at July 1, 2017	Cash Received	Transfer from General Fund	Budgetary Expenditures	Carryovers	Adjustments (1)	Repayment of Prior Years' Balance	Balance at June 30, 2018			MEMO		
											(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cum. Total Expenditures	
State Department of Education																
Nonpublic Auxiliary (Chap.192)																
Compensatory Education	18-100-034-5120-067	\$ 117,817	7/1/17-6/30/18		\$ 117,817		\$ 71,927						\$ 45,890	*	\$	71,927
Compensatory Education	17-100-034-5120-067	119,141	7/1/16-6/30/17	\$ 25,619						\$ 25,619						
Home Instruction	17-100-034-5120-067	1,413	7/1/16-6/30/17	(1,413)	1,413											
Total Nonpublic Auxiliary Services (Chapter 192) Cluster				24,206	119,230		71,927			25,619			45,890			71,927
Nonpublic Handicapped																
Supplementary Instruction	18-100-034-5120-066	58,679	7/1/17-6/30/18		58,679		46,946						11,733	*		46,946
Supplementary Instruction	17-100-034-5120-066	57,676	7/1/16-6/30/17	6,984						6,984				*		
Examination and Classification	18-100-034-5120-066	84,629	7/1/17-6/30/18		84,629		58,622						26,007	*		58,622
Corrective Speech	18-100-034-5120-066	49,104	7/1/17-6/30/18		49,104		33,123						15,981	*		33,123
Corrective Speech	17-100-034-5120-066	48,593	7/1/16-6/30/17	13,518						13,518				*		
English as Second Language	18-100-034-5120-066	7,227	7/1/17-6/30/18		7,227		1,807						5,420	*		1,807
English as Second Language	17-100-034-5120-066	2,741	7/1/16-6/30/17	1,645						1,645				*		
Total Nonpublic Handicapped Services (Chapter 193) Cluster				22,147	199,639		140,498			22,147			59,141			140,498
HSNRF		819,000												*		
Total Special Revenue Fund				38,512	13,040,241	\$ 344,820	13,888,386		\$ (3,147)	63,347	\$ (1,218,727)	\$ 590,829	136,591			13,888,386
Capital Projects Fund																
School Development Authority														*		
SDA- On-Behalf Payments					28,180		28,180							*		28,180
Total School Development Authority/Capital Projects Fund					28,180		28,180							*		28,180
State Department of Agriculture																
Enterprise Fund														*		
School Lunch Program	18-100-010-3350-023	10,994	9/1/17-6/30/18		10,042		10,994					(952)		*	\$ (952)	10,994
School Lunch Program	17-100-010-3350-023	9,831	9/1/16-6/30/17	(826)	826									*		
Total Department of Agriculture/ Food Service Enterprise Fund				(826)	10,868		10,994					(952)		*	(952)	10,994
Total State Financial Assistance Subject to Single Audit Determination				\$ (1,357,309)	\$ 30,044,848	\$ 344,820	\$ 30,882,652	\$ -	\$ (3,147)	\$ 63,347	\$ (2,604,207)	\$ 590,829	\$ 136,591	*	\$ (75,644)	\$ 30,882,652
State Financial Assistance																
Not Subject to Single Audit Major Program Determination																
General Fund																
On-Behalf TPAF Pension System Contributions - NCGI					\$ (2,777,363)		\$ (2,777,363)									\$ (2,777,363)
On-Behalf TPAF Pension System Contributions - Normal Costs					(67,400)		(67,400)									(67,400)
On-Behalf TPAF Pension System Contributions - Long Term Disability Insurance					(5,062)		(5,062)									(5,062)
On-Behalf TPAF Post-Retirement Medical Contributions					(1,837,371)		(1,837,371)									(1,837,371)
Capital Projects Fund																
On-Behalf SDA Payments					(28,180)		(28,180)									(28,180)
Total State Financial Assistance Subject to Single Audit Major Program Determination				\$ (1,357,309)	\$ 25,329,472	\$ 344,820	\$ 26,167,276	\$ -	\$ (3,147)	\$ 63,347	\$ (2,604,207)	\$ 590,829	\$ 136,591		\$ (75,644)	\$ 26,167,276

(1)Cancelled prior year payables.

(2) Funds are being provided by private corporation not State of New Jersey

N/A - Not Applicable

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using 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 basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

The 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 a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain 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, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$11,186 for the general fund and a decrease of \$668,021 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 132,610	\$ 16,966,278	\$ 17,098,888
Special Revenue Fund	1,852,422	12,905,081	14,757,503
Capital Projects Fund		28,180	28,180
Food Service Fund	<u>633,347</u>	<u>10,994</u>	<u>644,341</u>
Total Financial Assistance	<u>\$ 2,618,379</u>	<u>\$ 29,910,533</u>	<u>\$ 32,528,912</u>

**HOBOKEN BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,520,922 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2018. The amount reported as TPAF Pension System Contributions in the amount of \$2,844,763, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,837,371 and TPAF Long-Term Disability Insurance in the amount of \$5,062 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2018. The School Development Authority's ("SDA") Educational Facilities Construction and Financing Act on-behalf payments totaling \$28,180 represent the amounts paid by SDA on behalf of the District for the facility project expenditures of the District for the fiscal year ended June 30, 2018.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions as well as on-behalf School Development Authority Educational Facility Construction and Financing Act Program payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7 SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in U.S. Uniform Guidance; amounts used in schoolwide programs (i.e., school based budgets) are included in the total expenditures of the program contributing the funds in the Schedule of Expenditure of Federal Awards. The following funds by program are included in schoolwide programs in the District.

<u>Federal Program</u>	<u>Amount</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$ 505,442
Title II, Part A: <i>Teacher and Principal Training and Recruiting</i>	<u>34,582</u>
Total	<u>\$ 540,024</u>

NOTE 8 DE MINIMIS INDIRECT COST RATE

The District has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**HOBOKEN BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued:	<u>Unmodified</u>	
Internal control over financial reporting:		
1) Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
2) Were significant deficiency(ies) identified that were not considered to be material weaknesses?	<u> X </u> yes	<u> </u> none reported
Noncompliance material to the basic financial statements noted?	<u> X </u> yes	<u> </u> no

Federal Awards Section

Internal Control over compliance:		
1) Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
2) Were significant deficiency(ies) identified that were not considered to be material weaknesses?	<u> </u> yes	<u> X </u> none reported
Type of auditor's report on compliance for major programs:	<u>Unmodified</u>	
Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance (section.510(a))?	<u> </u> yes	<u> X </u> none

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN #</u>	<u>Name of Federal Program or Cluster</u>
<u>10.555</u>	<u>181NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.553</u>	<u>181NJ304N1099</u>	<u>School Breakfast Program</u>
<u> </u>	<u> </u>	<u> </u>

Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$750,000</u>
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Auditee qualified as low-risk auditee?	<u> X </u> yes	<u> </u> no
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HOBOKEN BOARD OF EDUCATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over compliance:

- 1) Material weakness(es) identified? _____ yes no
- 2) Were significant deficiency(ies) identified that were not considered to be material weaknesses? _____ yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08, as amended? yes _____ none

Identification of major programs:

<u>State Grant/Project Number (s)</u>	<u>Name of State Program</u>
<u>18-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>18-495-034-5120-068</u>	<u>School Choice Aid</u>
<u>18-495-034-5120-084</u>	<u>Security Aid</u>
<u>18-495-034-5120-085</u>	<u>Adjustment Aid</u>
<u>18-495-034-5120-098</u>	<u>PARCC Readiness Aid</u>
<u>18-495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>18-495-034-5120-101</u>	<u>Professional Learning Community Aid</u>
<u>18-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security</u>
<u>18-100-034-5120-473</u>	<u>Extraordinary Special Education Aid</u>

Dollar threshold used to distinguish between Type A and Type B Programs \$ 785,018

Auditee qualified as low-risk auditee? yes _____ no

**HOBOKEN BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2018-001

Our audit noted that all expenditures in the Capital Projects Fund, with the exception of legal services, were charged to construction services; however, some of the expenditures were for purchased technical services, equipment and supplies.

Criteria or Specific Requirement

The Uniform Minimum Chart of Accounts for New Jersey Public Schools, 2017-2018

Condition

Line item account determinations were not being carefully reviewed and/or monitored, which results in certain misclassifications.

Questioned Costs

None.

Context

Purchases charged to construction services were reclassified as follows:

Purchased Professional and Technical Services	\$139,665
Equipment	\$793,203
Supplies	\$566,883

Effect

See Finding and Condition.

Cause

Unknown.

Recommendation

It is recommended that expenditures in the Capital Projects Fund be charged in the subsidiary budget reports to the correct appropriation object area in accordance with The Uniform Minimum Chart of Accounts.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated it will review and revise its procedures to ensure corrective action is taken.

**HOBOKEN BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

There are none.

**HOBOKEN BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

Finding 2018-002

Our audit of the District's Extraordinary Aid Application noted numerous instances where the intensive service indicated in the application did not agree to what was in the student's Individualized Education Program (IEP) and District workpapers. In addition, one instance was noted where a full year of tuition was claimed; however, student did not attend the full year.

State Program Information

Extraordinary Aid 100-034-5120-473

Criteria or Specific Requirement

NJ Department of Education – Grant Compliance Supplement

Condition

Certain intensive services claimed on the Extraordinary Aid Application could not be located in the individual student's Individualized Education Plan (IEP). An instance was noted for incorrect tuition costs claimed.

Questioned Costs

Unknown.

Context

See condition.

Effect

Certain services reported on the application could not be verified to student's IEP. In addition, certain costs were not pro-rated for actual attendance period.

Cause

Unknown.

**HOBOKEN BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS (Continued)

Finding 2018-002 (Continued)

Recommendation

Greater care be exercised over the preparation of the Extraordinary Aid Application to ensure intensive services claimed agree to services documented in the District's supporting workpapers and student's Individualized Education Program (IEP).

Views of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated it will implement procedures to ensure corrective action is taken.

**HOBOKEN BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

Finding 2017-001

Our audit of outstanding purchase orders in the Capital Projects Fund revealed a certain purchase order classified as an encumbrance was deemed invalid.

Current Status

Corrective action has been taken.