

PERTH AMBOY PUBLIC SCHOOL DISTRICT

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2018**

Perth Amboy Public School District

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Perth Amboy Public School District

Perth Amboy, New Jersey

For The Fiscal Year Ended June 30, 2018

**Prepared by
Business Office**

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INTRODUCTORY SECTION



Perth Amboy Public Schools

Administrative Headquarters Building

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Perth Amboy, NJ 08861

Tel: (732) 376-6202 – Fax: (732) 442-5730

Derek J. Jess

School Business Administrator

Board Secretary

February 26, 2019

Honorable President and Members
of the Board of Education
Perth Amboy Public Schools
Perth Amboy, New Jersey
County of Middlesex

Dear Board Members and Constituents:

The Comprehensive Annual Financial Report of the Perth Amboy Public Schools (the "District") as of and for the 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 of Education (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 of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2018, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter (designed to complement Management's Discussion and Analysis and should be read in conjunction with it), the District's organizational chart, a roster of officials, and a list of independent auditor, consultants and advisors and the Certificate of Excellence in Financial Reporting. The financial section includes Management's Discussion and Analysis (immediately following the independent auditors' report), the basic financial statements and schedules, as well as the auditors' report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, the Federal Uniform Guidance and the New Jersey OMB Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditors' report on compliance and internal control over compliance and findings and questioned costs are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Board of Education of the Perth Amboy Public Schools in the County of Middlesex, State of New Jersey is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds and the government-wide financial statements of the District are included in this report. The Board of Education of the Perth Amboy Public Schools and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12 and Adult Accredited High School. These include regular, vocational as well as special education for handicapped youngsters and bilingual education for students who have limited English proficiency. The District completed the 2017-18 fiscal year with a total student enrollment of 10,717

students, which is more than the previous year's total student enrollment. The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2017-18	10,717	1.09%
2016-17	10,601	-6.03%
2015-16	11,281	-1.07%
2014-15	11,403	3.76%
2013-14	10,990	2.64%

2. ECONOMIC CONDITION AND OUTLOOK: Perth Amboy is part of Middlesex County, one of the most developed areas in New Jersey. Its location provides a transportation corridor between New York City and Philadelphia. Major inter and intrastate roadways run through Middlesex County including the New Jersey Turnpike, Garden State Parkway, Interstate 287 and Routes 1 and 9. Due to its access to major urban centers and its transportation network, Middlesex County remains one of the most populated counties in the state. Presently the City has undertaken an unprecedented initiative of redevelopment, which is planned to provide millions of dollars in improvements in the foreseeable future.

3. MAJOR INITIATIVES: The District presently operates three pre-school facilities, including School Number 7, Edmund Hmieleski Early Childhood Center and Ignacio Cruz Early Childhood Learning Center, which provide a full-day educational program to over 1,100 three and four year-old students. In addition, the District has five K to 4 elementary schools, the Samuel E. Shull Middle School (Grades 5-8), the William C. McGinnis Middle School (Grades 5-8), and Perth Amboy High School (Grades 9-12). The District operates a comprehensive Adult School program including a fully accredited High School component and a federally approved G.E.D. Testing Center. It is the mission of the Perth Amboy Public Schools to provide every student with the opportunity to realize his or her potential by providing a complete educational program, which is intended to achieve mastery of the Core Curriculum Content Standards at each grade level. Our educational program is intended to provide students with the opportunity to pursue continuing education in an institute of higher learning, career opportunities following the completion of high school, or pursuit of distinguished military service. The philosophy of leaving "no child behind" has been embraced by the Board of Education and its teaching and support staff. Many new and exciting educational offerings span the continuum from preschool to high school. The lessons for standards-based instruction that the Department of Education has learned after a close examination of the evidence about student work and achievement, closely align with what the Perth Amboy Public Schools have also learned as district staff analyzed a myriad of test scores and other important student data for our district.

3. MAJOR INITIATIVES: (Continued)

This year we have undertaken a few new initiatives which are driving instruction during the 2018-2019 school year:

High School Communications Academy – The first of several planned career academies at Perth Amboy High School opened in 2018-19. The Academy design aligned to the National Standards of Practice for Career Academies, had curriculum planned in partnership with experts in the communications field, and was intended for all learners including Honors level, General education, English Language Learners and Special Education students. Academy students have access to unparalleled facilities and technology, such as a completely renovated and state of the art TV studio, active learning spaces, and Media Center.

Expansion of Dual Language Program – Perth Amboy Public Schools has expanded the Dual Language Program into Grade 7. This program fosters bilingualism, biliteracy and has resulted in high levels of academic achievement for our students. We are also planning for the 2019 opening of a new Dual Language School for Grades K-2.

Social Emotional Learning – For the 2018-19 school year, Perth Amboy Public schools focused on supporting the social and emotional development of our students. The student code of conduct was updated to include behavior supports, all schools developed student support teams for tiered interventions, and district services were restructured so that each elementary school received its own Child Study Team.

Expansion of Technology – Perth Amboy Public Schools has implemented a 1:1 Initiative and Chromebooks with students in grades 10 through 12. The Media Center was completely renovated at Perth Amboy High School and outfitted with robust learning spaces, including 3D printers and a virtual reality lab. Also, all elementary schools have added maker-spaces to their media centers.

Curriculum Alignment to new NJQSAC Requirements: Perth Amboy Public School has NJSL aligned curriculum in all content areas. Curriculum continues to be redesigned and updated and implemented as per the five year mandated curriculum review cycle and is being updated to meet all NJQSAC requirements, such as the inclusion of interdisciplinary connections and the integration of career ready practices.

4. INTERNAL CONTROL: The administration of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control system 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 District is also 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 District management.

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

5. BUDGETARY CONTROLS: In addition to internal control, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital improvement fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section. P.L. 2011, c202 allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers.

Beginning with the 2012-2013 budget, the state of New Jersey allowed school districts to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers. The Perth Amboy Board of Education elected to eliminate the budget vote at this that time. In addition to the 2% limit on tax levy increases, there are restrictions on budget transfers during the year that can be made without NJDOE approval.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year.

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds.

7. CASH MANAGEMENT: The investment policy of the district is guided in large part by state statute. The district has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provision of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect government units from a loss of funds deposited 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.

8. RISK MANAGEMENT: The board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds, and workers' compensation. A schedule of insurance coverage is found in J-20.

9. DEBT ADMINISTRATION: The District has debt outstanding in the form of bonds and Certificates of Participation at June 30, 2018.

10. OTHER INFORMATION: Independent Audit - State statutes require an annual audit be performed by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and 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 of 1984 and 1996 revision and the related Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the Single Audit are included in the single audit section of this report.

11. AWARDS: The International Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal years ended June 30, 2012, 2013, 2014 and 2015. The District has applied and received this prestigious award for four years in a row. In order to be awarded this certificate, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States and applicable legal requirements.

12. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Board of Education of the Perth Amboy Public Schools, County of Middlesex, State of New Jersey, for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

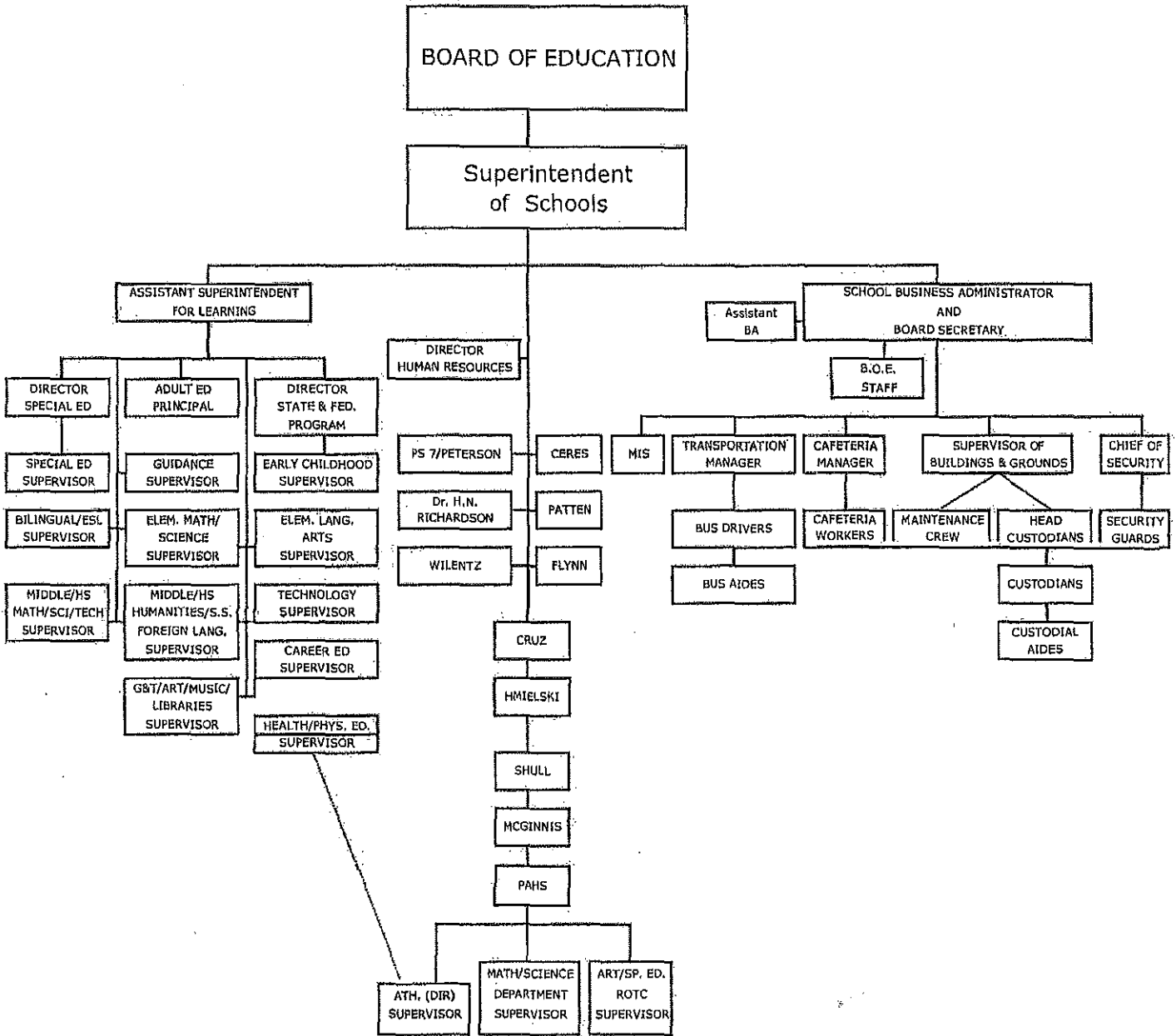


DEREK J. JESS
**SCHOOL BUSINESS ADMINISTRATOR/
BOARD SECRETARY**



MICHAEL A. LOBRACE
**ASSISTANT BUSINESS ADMINISTRATOR/
ASSISTANT BOARD SECRETARY**

**PERTH AMBOY BOARD OF EDUCATION
ORGANIZATIONAL CHART**



PERTH AMBOY PUBLIC SCHOOL DISTRICT
PERTH AMBOY, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2018

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Kenneth Puccio, President	2018
Milady Tejada, Vice-President	2020
Randy Convery	2019
Obdulia Gonzalez	2018
Junior Iglesia	2019
Lisett Lebron	2020
Jesus Martinez	2020
Anton Massopust	2018
Tashi Vazquez	2019

Other Officials

Dr. David A. Roman, Superintendent of Schools
Dr. Vivian C. Rodriguez, Assistant Superintendent for Learning/Education Services
Mr. Richard Chromey, Assistant Superintendent of Administration
Derek J. Jess, School Business Administrator/Board Secretary
Delvis Rodriguez, Director of Personnel and Evaluation
Michael Adamshick, Treasurer

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
PERTH AMBOY, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2018**

Independent Auditor

Lerch, Vinci & Higgins, LLP
17-17 Route 208
Fair Lawn, New Jersey 07410

Attorney

Isabel Machado, Esq.
136 Central Avenue, 2nd Floor
Clark, New Jersey 07066

Architect

Parette Somjen
439 Route 46 East
Rockaway, New Jersey 07866

Official Depository

Wells Fargo Bank
765 Broad Street
Newark, New Jersey 07102

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
Perth Amboy Public School District
Perth Amboy, 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 Perth Amboy Public School District 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 Perth Amboy Public School District 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 Perth Amboy Public School District 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 Perth Amboy Public School District'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 Perth Amboy Public School District.

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.

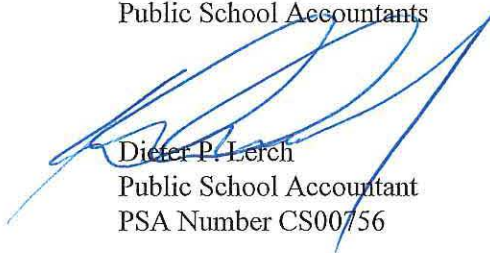
The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 26, 2019 on our consideration of the Perth Amboy Public School District'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 Perth Amboy Public School District'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 Perth Amboy Public School District'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
February 26, 2019

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

PERTH AMBOY PUBLIC SCHOOL DISTRICT

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

This section of Perth Amboy Public School District'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. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the District's financial statements and notes to the financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Perth Amboy Public School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year resulting in a net position of \$107,348,765.
- The District's total net position increased by \$8,075,198 or 8%.
- Overall District revenues were \$306,267,815. General revenues accounted for \$180,639,411 or 59% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$125,628,404 or 41% of total revenues.
- The school district had \$290,996,567 in expenses for governmental activities; only \$118,186,152 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted state and federal aid) of \$180,633,762 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 \$92,629,729. Of this amount, \$34,314,813 is restricted for capital projects, \$14,125,364 is assigned and committed to year end encumbrances, \$56,169,355 is restricted, assigned and designated for subsequent year's expenditures and the remaining amount is the unassigned fund deficit of \$11,979,803.
- The General Fund fund balance at June 30, 2018 was \$92,162,796, a decrease of \$12,960,239 compared to the ending fund balance at June 30, 2017 of \$105,123,035.
- The General Fund budgetary fund balance at June 30, 2018 was \$109,199,439, which represents a decrease of \$11,831,540 compared to the ending budgetary fund balance at June 30, 2017 of \$121,030,979.
- The District's governmental activities capital assets, net of depreciation, increased by \$20,550,844 during the current fiscal year.
- The District's governmental activities long-term liabilities decreased by \$24,460,694 during the current fiscal year. This decrease is primarily attributable to a decrease in net pension liability.

PERTH AMBOY PUBLIC SCHOOL DISTRICT

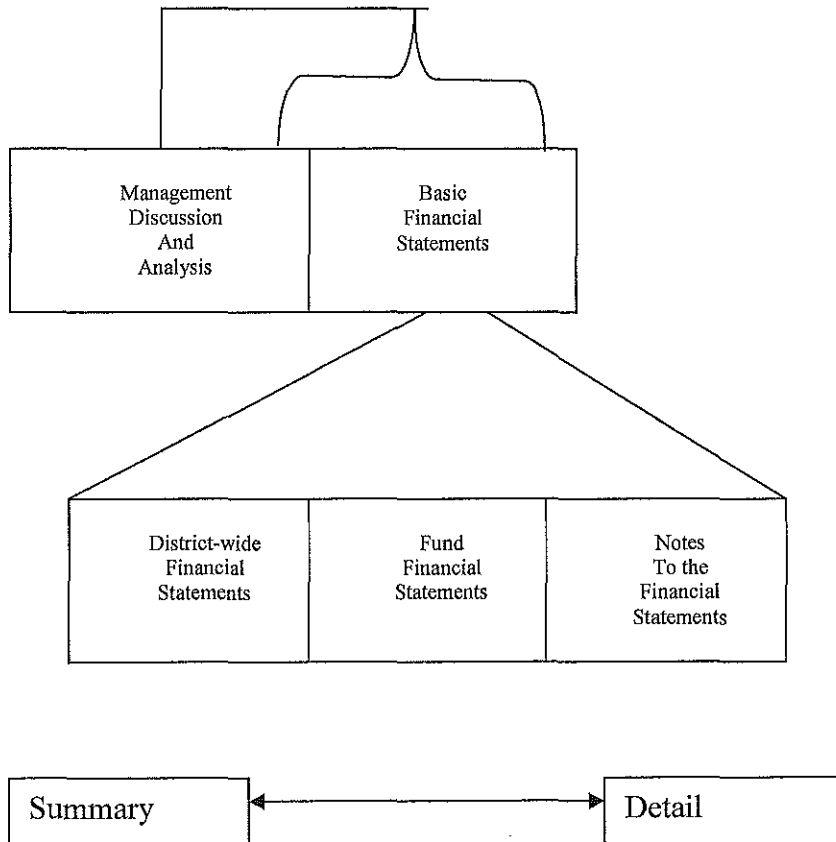
Management's Discussion and Analysis Fiscal Year Ended June 30, 2018

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditors' 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 basic financial statements also include notes that explain some of the information in the statements and provide more detailed data. The following shows how the various parts of this Annual Report are arranged and related to one another.



PERTH AMBOY PUBLIC SCHOOL DISTRICT

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

The table below 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 instruction, building maintenance, transportation, and administration.	Activities the district operates similar to private businesses: Enterprise Funds	Instances in which the district administers resources on behalf of someone else, such as unemployment compensation, student activities and payroll activities
Required financial Statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenue, Expenditures and Changes in Fund Balances	Statement of Net position Statement of Revenue, Expenses, and Changes in Fund Net Position, Statement of Cash Flows	Statement of Fiduciary Net Position. Statement of Change 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, liability and deferred inflows/outflows information	All assets, deferred outflows, liabilities, and deferred inflows, 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 there after; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities and deferred inflows, 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, although they can
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 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 it has changed. Net position – the difference between the District’s assets/deferred outflows and liabilities/deferred inflows – is one way to measure the District’s financial health or *position*.

- Over time, increases or decreases in the District’s net position is an indicator of whether its financial condition 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.

PERTH AMBOY PUBLIC SCHOOL DISTRICT

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

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 operation and maintenance. Property taxes and Federal and State aid finance most of these activities.
- *Business type activities* – These are activities for operations that are financed and operated in a manner similar to private business enterprises. The District's food services (cafeteria) program is 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 resources* 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 explains 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.

- *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 one enterprise fund for its food service (cafeteria) program.

- *Fiduciary funds* – The District is the trustee, or *fiduciary*, for assets and other resources that belong to others. The District is responsible for ensuring that the assets and other resources reported in these funds are used only for their intended purposes and by those to whom they 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 resources 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.

PERTH AMBOY PUBLIC SCHOOL DISTRICT

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

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, special revenue and debt service funds. A budgetary comparison statement has been provided for the general and special revenue funds as required supplementary information. Information regarding the District's employee retirement systems and pension plans, as well as, the post-retirement medical benefits plan has also been provided as required supplementary information. 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 and pension information.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District's *combined* net position was \$107,348,765 on June 30, 2018 and \$99,273,567 (as restated) on June 30, 2017 as follows:

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

	Governmental Activities		Business-Type Activities		Total	
	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)
Assets						
Current and Other Assets	\$ 104,624,600	\$ 116,371,428	\$ 1,448,014	\$ 1,044,977	\$ 106,072,614	\$ 117,416,405
Capital Assets	158,891,618	138,340,774	519,948	573,687	159,411,566	138,914,461
Total Assets	263,516,218	254,712,202	1,967,962	1,618,664	265,484,180	256,330,866
Deferred Outflows of Resources	27,572,713	39,928,168	-	-	27,572,713	39,928,168
Liabilities						
Long-Term Liabilities	150,054,599	174,515,293	728,735	665,525	150,783,334	175,180,818
Other Liabilities	12,055,144	16,505,492	123,048	89,532	12,178,192	16,595,024
Total Liabilities	162,109,743	191,020,785	851,783	755,057	162,961,526	191,775,842
Deferred Inflows of Resources	22,745,881	5,209,625	721	-	22,746,602	5,209,625
Net Position						
Net Investment in Capital Assets	155,870,866	131,687,032	519,948	573,687	156,390,814	132,260,719
Restricted	34,781,746	54,582,915			34,781,746	54,582,915
Unrestricted	(84,419,305)	(87,859,987)	595,510	289,920	(83,823,795)	(87,570,067)
Total Net Position	\$ 106,233,307	\$ 98,409,960	\$ 1,115,458	\$ 863,607	\$ 107,348,765	\$ 99,273,567

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, 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. Restricted net position represents amounts reserved for specific purposes by outside parties or statutory requirements. Unrestricted net position represents amounts available to the government that are neither restricted nor invested in capital assets.

PERTH AMBOY PUBLIC SCHOOL DISTRICT

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

The District's total net position of \$107,348,765 at June 30, 2018 represents a \$8,075,198 or a 8% increase from the prior year net position of \$99,273,567. The following presents the changes in net position for the fiscal years ended June 30, 2018 and 2017.

Changes in Net Position
For the Fiscal Years Ended June 30, 2018 and 2017

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</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 and Sales			\$ 558,334	\$ 603,128	\$ 558,334	\$ 603,128
Operating Grants and Contributions	\$ 108,223,849	\$ 28,810,033	6,883,918	6,618,064	115,107,767	35,428,097
Capital Grants and Contributions	9,962,303	-			9,962,303	
General Revenues						
Property Taxes	26,713,696	24,993,698			26,713,696	24,993,698
State and Federal Aid	152,881,328	186,058,251			152,881,328	186,058,251
Miscellaneous Income	1,038,738	4,872,233	5,649	-	1,044,387	4,872,233
Total Revenues	298,819,914	244,734,215	7,447,901	7,221,192	306,267,815	251,955,407
Expenses						
Instruction						
Regular	129,134,204	101,805,750			129,134,204	101,805,750
Special Education	35,850,026	20,382,064			35,850,026	20,382,064
Other Instruction	23,992,413	16,687,054			23,992,413	16,687,054
School Sponsored Activities and Athletics	1,579,019				1,579,019	
Support Services						
Tuition (Unallocated)		14,777,372				14,777,372
Student and Instruction Related Services	39,641,779	41,773,658			39,641,779	41,773,658
General Administrative Services	4,847,476	3,270,261			4,847,476	3,270,261
School Administrative Services	10,387,043	6,744,078			10,387,043	6,744,078
Central Administrative Services	6,320,495	5,295,740			6,320,495	5,295,740
Plant Operations and Maintenance	28,150,111	23,085,382			28,150,111	23,085,382
Pupil Transportation	10,519,855	10,865,494			10,519,855	10,865,494
Special Schools (Unallocated)		2,493,397			-	2,493,397
Charter Schools (Unallocated)		7,165,744				7,165,744
Interest and Other Charges	574,146	10,890,206			574,146	10,890,206
Food Services	-	-	7,196,050	7,314,060	7,196,050	7,314,060
Total Expenses	290,996,567	265,236,200	7,196,050	7,314,060	298,192,617	272,550,260
Change in Net Position	7,823,347	(20,501,985)	251,851	(92,868)	8,075,198	(20,594,853)
Net Position, Beginning of Year	98,409,960	193,014,294	863,607	549,750	99,273,567	193,564,044
Prior Period Adjustment	-	(74,102,349)	-	406,725	-	(73,695,624)
Net Position, End of Year	\$ 106,233,307	\$ 98,409,960	\$ 1,115,458	\$ 863,607	\$ 107,348,765	\$ 99,273,567

PERTH AMBOY PUBLIC SCHOOL DISTRICT

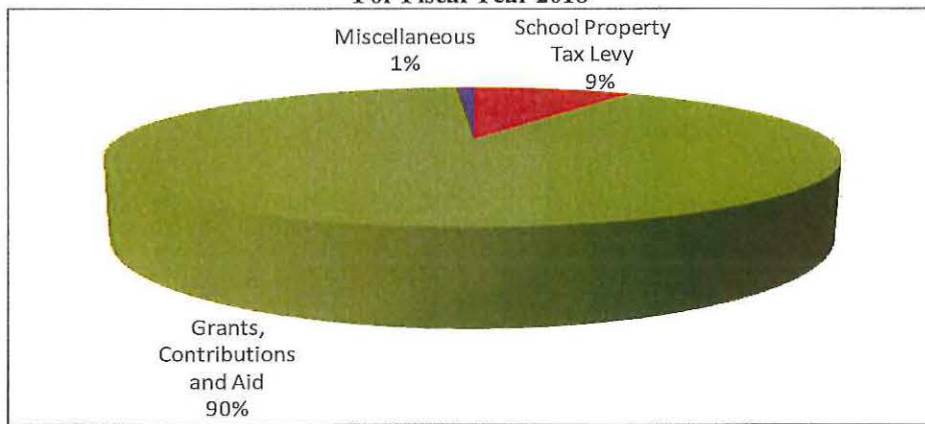
Management’s Discussion and Analysis
Fiscal Year Ended June 30, 2018

Governmental Activities. The District’s total governmental activities’ revenues, which includes State and Federal grants, were \$298,819,914 for the fiscal year ended June 30, 2018. Property taxes of \$26,713,696 represented 9% of revenues. Another significant portion of revenues came from grants and contributions and unrestricted state and federal aid which totaled \$271,067,480 or 90% of revenues. In addition, general revenue from miscellaneous income such as interest, prior year refunds and other miscellaneous items represented 1% of revenues.

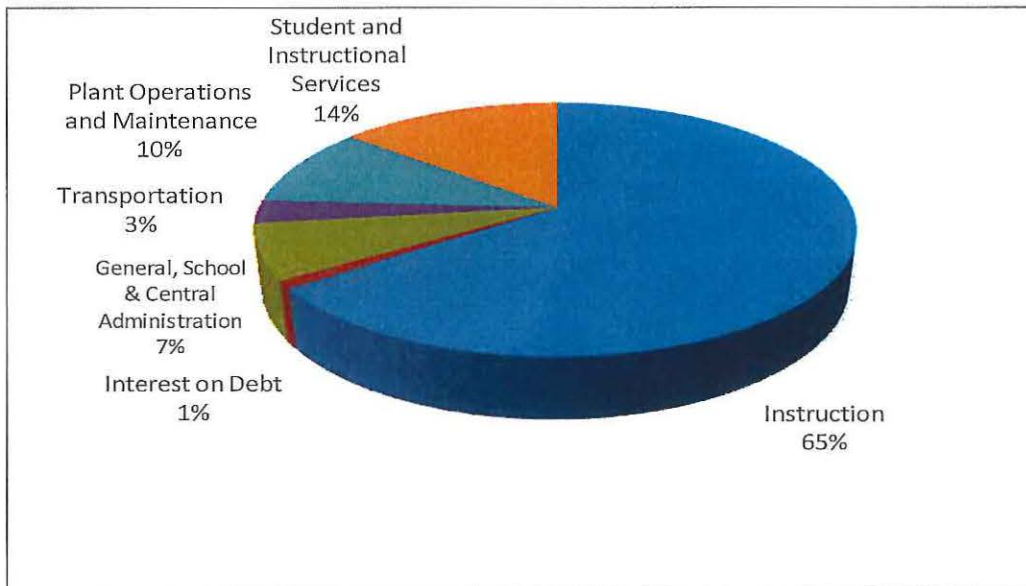
The total cost of all governmental activities programs and services was \$290,996,567 for the fiscal year ended June 30, 2018. The District’s expenses are predominantly related to educating and caring for students. Instruction costs were \$190,555,662 (65%) of total expenses. Support services costs were \$99,866,759 (34%) of total expenses and interest on debt totaled \$574,146, (1%) of total expenses.

For fiscal year 2018, total governmental activities revenues exceeded expenses increasing net position for governmental activities by \$7,823,347 from the previous year’s balance.

**Revenues by Sources – Governmental Activities
For Fiscal Year 2018**



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



PERTH AMBOY PUBLIC SCHOOL DISTRICT

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

Net Cost of Governmental Activities. The District's total cost of services was \$290,996,567. After applying program revenues, derived from operating and capital grants and contributions of \$118,186,152, the net cost of services of the District was \$172,810,415 for the fiscal year ended June 30, 2018.

Total and Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Instruction:				
Regular	\$ 129,134,204	\$ 101,805,750	\$ 75,086,431	\$ 89,786,870
Special Education	35,850,026	20,382,064	22,611,596	20,382,064
Other Instruction	23,992,413	16,687,054	15,327,450	16,687,054
School Sponsored Activities and Athletics	1,579,019		1,471,320	
Support Services:				
Tuition (Unallocated)		14,777,372		14,777,372
Student & Instruction Related Services	39,641,779	41,773,658	20,740,856	24,982,505
General Administrative Services	4,847,476	3,270,261	3,754,220	3,270,261
School Administrative Services	10,387,043	6,744,078	7,489,339	6,744,078
Central Administrative Services	6,320,495	5,295,740	5,868,806	5,295,740
Plant Operations and Maintenance	28,150,111	23,085,382	12,318,345	23,085,382
Pupil Transportation	10,519,855	10,865,494	7,682,669	10,865,494
Special Schools (Unallocated)		2,493,397		2,493,397
Charter Schools (Unallocated)		7,165,744		7,165,744
Interest on Long Term Debt and Other Charges	<u>574,146</u>	<u>10,890,206</u>	<u>459,383</u>	<u>10,890,206</u>
Total	<u>\$ 290,996,567</u>	<u>\$ 265,236,200</u>	<u>\$ 172,810,415</u>	<u>\$ 236,426,167</u>

Business-Type Activities – The District's total business-type activities revenues were \$7,447,901 for the fiscal year ended June 30, 2018. Charges for services of \$558,334 accounted for 8% of total revenues and operating grants and contributions of \$6,883,918 accounted for 92% of total revenues.

Total cost of all business-type activities programs and services was \$7,196,050 for the fiscal year ended June 30, 2018.

For fiscal year 2018, total business-type activities revenues exceeded expenses, increasing net position by \$251,851 or 29% compared to the previous year.

PERTH AMBOY PUBLIC SCHOOL DISTRICT

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

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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 \$92,629,729 at June 30, 2018, a decrease of \$10,921,838 from last year's fund balance of \$103,551,567.

Revenues for the District's governmental funds were \$257,983,566, while total expenditures were \$268,905,404 for the fiscal year ended June 30, 2018.

GENERAL FUND

The General Fund includes the primary operations of the District in providing educational services to students from Pre-K through 12 including pupil transportation, extra-curricular activities and plant operation and maintenance costs.

The following schedule presents a summary of General Fund Revenues.

	<u>Fiscal Year Ended June 30, 2018</u>	<u>Fiscal Year Ended June 30, 2017</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
Local Sources:				
Property Tax Levy	\$ 25,259,486	\$ 22,762,553	\$ 2,496,933	11%
Miscellaneous	1,038,738	994,044	44,694	4%
State Sources	184,152,617	181,064,121	3,088,496	2%
Federal Sources	<u>349,206</u>	<u>631,185</u>	<u>(281,979)</u>	-45%
Total General Fund Revenues	<u>\$ 210,800,047</u>	<u>\$ 205,451,903</u>	<u>\$ 5,348,144</u>	3%

For fiscal year 2018, total General Fund revenues increased \$5,348,144 or 3% from the previous year. Property taxes increased \$2,496,933 or 11% to support increases in operating costs. As indicated, State aid increased 2% mainly attributable to on behalf pension contributions made by the State for the District's teaching professionals.

The following schedule presents a summary of General Fund expenditures.

	<u>Fiscal Year Ended June 30, 2018</u>	<u>Fiscal Year Ended June 30, 2017</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
Instruction	\$ 138,127,235	\$ 75,636,299	\$ 62,490,936	83%
Support Services	70,662,215	127,581,292	(56,919,077)	-45%
Capital Outlay	<u>15,962,947</u>	<u>21,637,437</u>	<u>(5,674,490)</u>	-26%
Total Expenditures	<u>\$ 224,752,397</u>	<u>\$ 224,855,028</u>	<u>\$ (102,631)</u>	0%

PERTH AMBOY PUBLIC SCHOOL DISTRICT

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

GENERAL FUND (Continued)

For fiscal year 2018, total General Fund expenditures decreased \$102,631 from the previous year. Increases in regular instruction were offset by a reduction in support services and capital outlay costs in the current year.

In fiscal year 2018 General Fund expenditures and other financing uses exceeded revenues and other financing sources by \$12,960,239. Therefore, the total fund balance decreased to \$92,162,796 at June 30, 2018.

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 budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant difference between the budgetary basis of accounting and generally accepted accounting principles is the legally mandated revenue recognition of certain delayed or deferred state aid payments. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made through the reappropriation of prior year encumbrances and budget transfers to prevent over expenditures in specific line item accounts.

For fiscal year 2018 General Fund budgetary expenditures and other financing uses exceeded budgetary revenues and other financing sources decreasing budgetary fund balance \$11,831,540 from the previous year. After deducting fund balances restricted and assigned, the unassigned budgetary fund balance increased \$245,026, from a fund balance of \$4,811,814 at June 30, 2017 to a fund balance of \$5,056,840 at June 30, 2018.

CAPITAL ASSETS

At the end of fiscal year 2018, the District had \$158,891,618 invested in land, buildings, furniture, equipment and vehicles for governmental activities and \$519,948 for business type activities. The following is a comparison of the June 30, 2018 and 2017 balances:

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2018</u>	<u>2017</u> (Restated)	<u>2018</u>	<u>2017</u> (Restated)	<u>2018</u>	<u>2017</u> (Restated)
Land	\$ 25,616,588	\$ 25,616,588			\$ 25,616,588	\$ 25,616,588
Construction in Progress	24,342,384	6,140,318			24,342,384	6,140,318
Buildings and Improvements	101,448,272	99,906,964			101,448,272	99,906,964
Improvements Other Than Buildings	3,010,150	3,220,311			3,010,150	3,220,311
Machinery and Equipment	<u>4,474,224</u>	<u>3,456,593</u>	\$ 519,948	\$ 573,687	<u>4,994,172</u>	<u>4,030,280</u>
Total Capital Assets, Net	<u>\$ 158,891,618</u>	<u>\$ 138,340,774</u>	<u>\$ 519,948</u>	<u>\$ 573,687</u>	<u>\$ 159,411,566</u>	<u>\$ 138,914,461</u>

Additional information on the District's capital assets is presented in Note 3 of this report.

PERTH AMBOY PUBLIC SCHOOL DISTRICT

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

LONG TERM LIABILITIES

At June 30, 2018 the District had \$150,054,599 of total outstanding long-term liabilities for governmental activities. Of this amount, \$3,391,533 is for bonds payable, \$10,634,995 is for compensated absences, \$45,088,182 is for the District’s other post-employment benefits liability and \$90,939,889 is for the District’s net pension liability. The following is a comparison of the June 30, 2018 and 2017 balances:

**Outstanding Long-Term Liabilities
as of June 30, 2018 and 2017**

	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
		(Restated)
Bonds Payable, net	\$ 3,391,533	\$ 5,503,742
Lease Purchase Agreements		1,150,000
Compensated Absences	10,634,995	10,282,230
OPEB Liability	45,088,182	44,815,380
Net Pension Liability	<u>90,939,889</u>	<u>112,763,941</u>
Total	<u>\$ 150,054,599</u>	<u>\$ 174,515,293</u>

Additional information of the District’s long-term liabilities is presented in Note 3 of this report.

FACTORS BEARING ON THE DISTRICT’S FUTURE

While many factors influence the District’s future, the availability of funding for increased enrollment, staffing needs, facility improvements, the District’s financial condition and the economy will have the most impact on educational and fiscal decisions in the future.

Many factors were considered by the District’s administration during the process of developing the fiscal year 2018-2019 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 decreased approximately 12% to \$252,819,479 for fiscal year 2018-2019. A decrease in capital outlay appropriations accounted for the majority of the decrease in budgeted expenditures.

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 Business Office, Perth Amboy Public School District, 178 Barracks St., Perth Amboy, NJ 08861.

BASIC FINANCIAL STATEMENTS

PERTH AMBOY PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2018

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 97,163,514	\$ 809,989	\$ 97,973,503
Receivables, Net	6,961,417	649,841	7,611,258
Inventory		20,921	20,921
Internal Balances	32,737	(32,737)	
Restricted assets:			
Cash and Cash Equivalents	171,165		171,165
Investments	295,767		295,767
Capital Assets, Not Being Depreciated	49,958,972		49,958,972
Capital Assets, Being Depreciated	108,932,646	519,948	109,452,594
 Total Assets	 <u>263,516,218</u>	 <u>1,967,962</u>	 <u>265,484,180</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows on Debt Refundings	370,781		370,781
Deferred Outflows on Net Pension Liability	27,201,932		27,201,932
 Total Deferred Outflows of Resources	 <u>27,572,713</u>	 <u>-</u>	 <u>27,572,713</u>
 Total Assets and Deferred Outflows of Resources	 <u>291,088,931</u>	 <u>1,967,962</u>	 <u>293,056,893</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	10,205,411	123,048	10,328,459
Payable to Other Governments	261,035		261,035
Unearned Revenue	1,528,425		1,528,425
Accrued Interest Payable	60,273		60,273
Noncurrent Liabilities			
Due Within One Year	2,682,456		2,682,456
Due Beyond One Year	147,372,143	728,735	148,100,878
 Total Liabilities	 <u>162,109,743</u>	 <u>851,783</u>	 <u>162,961,526</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows on Net Pension Liability	18,254,085		18,254,085
Deferred Inflows on OPEB Liability	4,491,796		4,491,796
Deferred Commodities Revenue	-	721	721
 Total Deferred Inflows of Resources	 <u>22,745,881</u>	 <u>721</u>	 <u>22,746,602</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>184,855,624</u>	 <u>852,504</u>	 <u>185,708,128</u>
NET POSITION			
Net Investment in Capital Assets	155,870,866	519,948	156,390,814
Restricted for:			
Permanent Endowment - Nonexpendable	466,932		466,932
Capital Projects	34,314,813		34,314,813
Debt Service	1		1
Unrestricted	(84,419,305)	595,510	(83,823,795)
 Total Net Position	 <u>\$ 106,233,307</u>	 <u>\$ 1,115,458</u>	 <u>\$ 107,348,765</u>

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

PERTH AMBOY PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 129,134,204		\$ 54,047,773		\$ (75,086,431)		\$ (75,086,431)
Special Education	35,850,026		13,238,430		(22,611,596)		(22,611,596)
Other Instruction	23,992,413		8,664,963		(15,327,450)		(15,327,450)
School Sponsored Activities and Athletics	1,579,019		107,699		(1,471,320)		(1,471,320)
Support Services							
Student and Instruction Related Svcs.	39,641,779		18,884,318	\$ 16,605	(20,740,856)		(20,740,856)
General Administrative Services	4,847,476		1,093,256		(3,754,220)		(3,754,220)
School Administrative Services	10,387,043		2,897,704		(7,489,339)		(7,489,339)
Central and Other Support Services	6,320,495		451,689		(5,868,806)		(5,868,806)
Plant Operations and Maintenance	28,150,111		5,886,068	9,945,698	(12,318,345)		(12,318,345)
Pupil Transportation	10,519,855		2,837,186		(7,682,669)		(7,682,669)
Interest on Long-Term debt	574,146		114,763		(459,383)		(459,383)
Total Governmental Activities	290,996,567	-	108,223,849	9,962,303	(172,810,415)	-	(172,810,415)
Business-Type Activities							
Food Service	7,196,050	\$ 558,334	6,883,918			\$ 246,202	246,202
Total business-type activities	7,196,050	558,334	6,883,918	-	-	246,202	246,202
Total primary government	\$298,192,617	\$ 558,334	\$ 115,107,767	\$ 9,962,303	(172,810,415)	246,202	(172,564,213)
General Revenues:							
Property Taxes, Levied for General Purposes					25,259,486		25,259,486
Property Taxes, Levied for Debt Service					1,454,210		1,454,210
State Aid - Unrestricted					149,287,617		149,287,617
Federal Grants for School Based Budgets					1,757,384		1,757,384
State Aid for Debt Service Principal					1,836,327		1,836,327
Investment Earnings					306,835	5,649	312,484
Miscellaneous Income					731,903	-	731,903
Total General Revenues					180,633,762	5,649	180,639,411
Change in Net Position					7,823,347	251,851	8,075,198
Net Position, Beginning of Year (Restated)					98,409,960	863,607	99,273,567
Net Position, End of Year					\$ 106,233,307	\$ 1,115,458	\$ 107,348,765

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

FUND FINANCIAL STATEMENTS

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 97,163,513			\$ 1		\$ 97,163,514
Receivables, Net						
Intergovernmental	582,604	\$ 6,378,813				6,961,417
Due From Other Funds	1,912,337					1,912,337
Restricted Assets:						
Cash and Cash Equivalents					\$ 171,165	171,165
Investments					295,767	295,767
Total Assets	\$ 99,658,454	\$ 6,378,813	\$ -	\$ 1	\$ 466,932	\$ 106,504,200
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable	\$ 6,735,345	\$ 2,709,753				\$ 9,445,098
Intergovernmental Payable		261,035				261,035
Due To Other Funds		1,879,600				1,879,600
Unearned Revenue		1,528,425				1,528,425
Other Liabilities	760,313					760,313
Total Liabilities	7,495,658	6,378,813	-	-	-	13,874,471
Fund Balances (Deficits)						
Nonspendable						
Permanent Fund Principal					\$ 466,932	466,932
Restricted						
Capital Reserve	19,314,813					19,314,813
Capital Reserve Designated for Subsequent Year's Expenditures	15,000,000					15,000,000
Excess Surplus	12,757,466					12,757,466
Excess Surplus Designated for Subsequent Year's Expenditures	7,334,768					7,334,768
Debt Service				1		1
Committed						
Year End Encumbrances	11,844,389					11,844,389
Assigned						
Year End Encumbrances	2,280,975					2,280,975
Designated for Subsequent Year's Expenditures	35,610,188					35,610,188
Unassigned (Deficit)	(11,979,803)					(11,979,803)
Total Fund Balances	92,162,796	-	-	1	466,932	92,629,729
Total Liabilities and Fund Balances	\$ 99,658,454	\$ 6,378,813	\$ -	\$ 1	\$ 466,932	\$ 106,504,200

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2018**

Total Fund Balances - Governmental Funds (Exhibit B-1) **\$ 92,629,729**

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 \$237,507,862 and the accumulated depreciation is \$78,616,244.

158,891,618

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt.

370,781

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

Net Pension Liability		
Deferred Outflows of Resources	\$	27,201,932
Deferred Inflows of Resources		(18,254,085)
OPEB Liability		
Deferred Inflows of Resources		<u>(4,491,796)</u>

4,456,051

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

(60,273)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of the following:

Bonds Payable	(3,391,533)
Compensated Absences	(10,634,995)
OPEB Liability	(45,088,182)
Net Pension Liability	<u>(90,939,889)</u>

(150,054,599)

Net Position of Governmental Activities (Exhibit A-1)

\$ 106,233,307

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

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
REVENUES						
Local Sources						
Property Tax Levy	\$ 25,259,486			\$ 1,454,210		\$ 26,713,696
Miscellaneous	1,038,738	-	-			1,038,738
Total - Local Sources	26,298,224			1,454,210	-	27,752,434
State Sources	184,152,617	\$ 24,408,647	\$ 9,945,698	1,951,090	-	220,458,052
Federal Sources	349,206	9,423,874	-	-	-	9,773,080
Total Revenues	210,800,047	33,832,521	9,945,698	3,405,300	-	257,983,566
EXPENDITURES						
Current						
Instruction						
Regular Instruction	88,120,075	19,566,389				107,686,464
Special Education Instruction	30,174,919	127,085				30,302,004
Other Instruction	18,468,349	441,672				18,910,021
School Sponsored Activities and Athletics	1,363,892					1,363,892
Support Services						
Student and Instruction Related Services	23,638,074	9,859,278				33,497,352
General Administrative Services	3,839,627					3,839,627
School Administrative Services	8,224,089					8,224,089
Central and Other Support Services	5,418,250					5,418,250
Plant Operations and Maintenance	20,682,038	24,075				20,706,113
Pupil Transportation	8,860,137	766,905				9,627,042
Debt Service						
Principal				3,205,000		3,205,000
Interest and Other Charges				200,300		200,300
Capital Outlay	15,962,947	16,605	9,945,698	-	-	25,925,250
Total Expenditures	224,752,397	30,802,009	9,945,698	3,405,300	-	268,905,404
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,952,350)	3,030,512	-	-	-	(10,921,838)
OTHER FINANCING SOURCES (USES)						
Transfers In	1,757,384	765,273				2,522,657
Transfers Out	(765,273)	(1,757,384)	-	-	-	(2,522,657)
Total Other Financing Sources and Uses	992,111	(992,111)	-	-	-	-
Net Change in Fund Balances	(12,960,239)	2,038,401	-	-	-	(10,921,838)
Fund Balance (Deficit), Beginning of Year	105,123,035	(2,038,401)	-	1	\$ 466,932	103,551,567
Fund Balance, End of Year	\$ 92,162,796	\$ -	\$ -	\$ 1	\$ 466,932	\$ 92,629,729

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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) **\$ (10,921,838)**

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 Outlay	\$ 25,925,250	
Depreciation Expense	<u>(5,374,406)</u>	
		20,550,844

The issuance of long term debt 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. Also, governmental funds report the effect of premiums, discounts, and other similar items when debt is first issue, whereas these amounts are deferred and amortized in the statement of activities.

Principal Repayments		
Bond Principal	2,055,000	
Lease Purchase Principal	<u>1,150,000</u>	
		3,205,000
Amortization of Original Issue Premium/Discount	57,209	
Amortization of Deferred Amount on Refunding	<u>(370,782)</u>	
		(313,573)

In the statement of activities, certain expenses are measured by the amounts earned or accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources (used) paid:

Increase in Compensated Absences	(352,765)	
Increase in Pension Expense	(4,729,075)	
Decrease in OPEB Expense	445,027	
Increase in Accrued Interest	<u>(60,273)</u>	
		<u>(4,697,086)</u>

Change in net position of governmental activities (Exhibit A-2) **\$ 7,823,347**

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2018**

		Business-Type Activities - Enterprise Fund Food Service
ASSETS		
Current Assets		
Cash	\$	809,989
Intergovernmental Receivable		649,841
Due from Other Funds		18,767
Inventory		<u>20,921</u>
Total Current Assets		<u>1,499,518</u>
Capital Assets		
Machinery and Equipment		993,795
Accumulated Depreciation		<u>(473,847)</u>
Total Capital Assets		<u>519,948</u>
Total Assets		<u>2,019,466</u>
LIABILITIES		
Current Liabilities		
Accounts Payable		123,048
Due to Other Funds		51,504
Unearned Revenue		<u>-</u>
Total Current Liabilities		<u>174,552</u>
Noncurrent Liabilities		
Compensated Absences Payable		<u>728,735</u>
Total Noncurrent Liabilities		<u>728,735</u>
Total Liabilities		<u>903,287</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Commodities Revenue		<u>721</u>
Total Liabilities and Deferred Inflows of Resources		<u>904,008</u>
NET POSITION		
Investment in Capital Assets		519,948
Unrestricted		<u>595,510</u>
Total Net Position	\$	<u>1,115,458</u>

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

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Business-Type Activities - Enterprise Fund Food Service
OPERATING REVENUES	
Charges for Services	
Daily Sales - Reimbursable Programs	\$ 199,410
Daily Sales - Non reimbursable Programs	196,439
Vending	26,586
Special Functions	44,846
Miscellaneous	<u>91,053</u>
Total Operating Revenues	<u>558,334</u>
OPERATING EXPENSES	
Salaries and Employee Benefits	3,218,068
Purchased Professional Services	43,010
Cost of Sales - Reimbursable Programs	3,598,411
Cost of Sales - Nonreimbursable Programs	
Supplies and Materials	199,547
Miscellaneous	83,275
Depreciation	<u>53,739</u>
Total Operating Expenses	<u>7,196,050</u>
Operating Loss	<u>(6,637,716)</u>
NONOPERATING REVENUES	
State Sources	
State School Lunch Program	74,569
Federal Sources	
National School Lunch Program	4,155,915
National School Breakfast Program	2,022,151
After School Snack Program	128,388
Food Distribution Program	441,654
Fresh Fruits and Vegetables Program	61,241
Interest on Investments	<u>5,649</u>
Total Nonoperating Revenues	<u>6,889,567</u>
Change in Net Position	251,851
Net Position, Beginning of Year (Restated)	<u>863,607</u>
Net Position, End of Year	<u>\$ 1,115,458</u>

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

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Business-Type Activities - Enterprise Fund Food Service
Cash Flows from Operating Activities	
Cash Receipts from Customers	\$ 558,334
Cash Payments for Employees Salaries and Benefits	(3,154,858)
Cash Payments to Suppliers for Goods and Services	<u>(3,450,353)</u>
Net Cash Used for Operating Activities	<u>(6,046,877)</u>
Cash Flows from Noncapital Financing Activities	
Cash Received from State and Federal Sources	6,349,608
Cash Received from Other Funds	<u>(11,900)</u>
Net Cash Provided By Noncapital Financing Activities	<u>6,337,708</u>
Cash Flows from Investing Activities	
Interest Earnings	<u>5,649</u>
Net Cash Provided by Investing Activities	<u>5,649</u>
Net Increase in Cash and Cash Equivalents	296,480
Cash, Beginning of Year	<u>513,509</u>
Cash, End of Year	<u>\$ 809,989</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ <u>(6,637,716)</u>
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities	
Depreciation Expense	53,739
Non Cash Federal Assistance - Food Distribution Program	441,654
Change in Assets, Liabilities and Deferred Inflows	
(Increase)/Decrease in Inventory	(2,000)
(Increase)/Decrease in Accounts Receivable	
Increase/(Decrease) in Compensated Absences Payable	63,210
Increase/(Decrease) in Deferred Commodities Revenue	721
Increase/(Decrease) in Accounts Payable	<u>33,515</u>
Total Adjustments	<u>590,839</u>
Net Cash Used For Operating Activities	<u>\$ (6,046,877)</u>
Noncash Investing, Capital and Financing Activities	
Valued Received Food Distribution Program	\$ 442,375

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

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2018**

	Unemployment Compensation <u>Trust Fund</u>	Scholarship <u>Trust Fund</u>	Agency <u>Fund</u>
ASSETS			
Cash	\$ 1,723,696	\$ 315,125	\$ 2,707,910
Total Assets	<u>1,723,696</u>	<u>315,125</u>	<u>2,707,910</u>
LIABILITIES			
Intergovernmental Payable - State	195,686		
Accounts Payable			\$ 315,362
Accrued Salaries and Wages			1,212
Payroll Deductions and Withholdings			2,151,855
Due to Student Groups	<u>-</u>	<u>-</u>	<u>239,481</u>
Total Liabilities	<u>195,686</u>	<u>-</u>	<u>\$ 2,707,910</u>
NET POSITION			
Held In Trust For Unemployment Claims and Other Purposes	<u>\$ 1,528,010</u>	<u>\$ 315,125</u>	

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

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Unemployment Compensation <u>Trust Fund</u>	Scholarship <u>Trust Fund</u>
ADDITIONS		
Contributions		
Employees	\$ 186,867	
Private	<u>-</u>	\$ <u>12,279</u>
Total Contributions	186,867	12,279
Investment Earnings		
Interest	<u>11,793</u>	<u>892</u>
Total Additions	<u>198,660</u>	<u>13,171</u>
DEDUCTIONS		
Unemployment Claims and Contributions	494,808	
Scholarships Awarded	<u>-</u>	<u>15,105</u>
Total Deductions	<u>494,808</u>	<u>15,105</u>
Change in Net Position	(296,148)	(1,934)
Net Position, Beginning of Year	<u>1,824,158</u>	<u>317,059</u>
Net Position, End of Year	<u>\$ 1,528,010</u>	<u>\$ 315,125</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Perth Amboy Public School District (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 Perth Amboy Public School District this includes general operations, food service, 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 as required:

- 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 Issue*.. 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.

PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 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 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.

PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 and state 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 the sale of bonds, 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.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The *permanent fund* is used to report arrangements in which the reporting government is the beneficiary of the earnings on the principal.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 fund which is 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.

Additionally, the government reports the following fund types:

The *fiduciary trust funds* are used to account for resources legally held in trust for state unemployment insurance claims and for private donations for scholarship awards. All resources of the funds, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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, 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 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. *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	45
Building Improvements	20
Machinery and Equipment	5-10

5. *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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from the loss on a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the loss on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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)

5. 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 a future period(s) 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. One item that qualifies for reporting in this category are the deferred amounts on net pension and OPEB liabilities. 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 item that qualifies for reporting in this 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.

6. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation, personal, and sick leave benefits. A long-term liability of accumulated vacation, personal 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. Proprietary Funds accrue accumulated vacation, personal and sick leave and salary related payments in the period that they are earned. A liability is reported in both the governmental and enterprise funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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)

8. 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. Gains resulting from debt refundings are classified as deferred inflows of resources and losses are reported as deferred outflows of resources. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Gains and losses resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. 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.

Nonspendable Fund Balance – Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Principal – Represents the portion of fund balance not available for future spending that must be preserved in accordance with a formal trust agreement.

PERTH AMBOY PUBLIC SCHOOL DISTRICT
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)

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continue)

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 2).

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2018/2019 District budget certified for taxes.

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.

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.

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's 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.

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.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2018/2019 District budget certified for taxes.

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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)

10. 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.

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 and state 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 (Continued)

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 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.

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, special revenue and debt service 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. 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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 \$6,313,608. The increase was funded by the reappropriation of prior year encumbrances. The Board also increased the original special revenue fund budget by \$8,496,983. The increase was funded by additional federal and state grant awards.

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.

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			
Special Education			
Learning and/or Language Disabilities			
Salaries of Teachers	\$ 2,367,602	\$ 2,579,977	\$ 212,375
School Sponsored Athletics			
Salaries	447,947	491,308	43,361
Undistributed Expenditures			
Other Support Services - Child Study Tea			
Other Salaries	176,225	270,305	94,080
Educational Media Service			
Salaries	784,482	855,228	70,746
Support Services - General Administration			
Salaries	1,366,830	1,413,711	46,881

The above variances were offset with other available resources.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Deficit Fund Equity

The District has an unassigned fund deficit of \$11,979,803 in the General 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 General 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) general 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 \$11,979,803 in the General Fund is less than the delayed state aid payments at June 30, 2018.

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Capital Reserve (Continued)

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

Balance, July 1, 2017	\$ 54,114,982
Increased by	
Unexpended/Unencumbered Budgeted Amounts	
Returned at Year End	<u>30,440,396</u>
	84,555,378
Withdrawals	
Approved in District Budget	<u>50,240,565</u>
Balance, June 30, 2018	<u>\$ 34,314,813</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan. \$15,000,000 of the capital reserve balance at June 30, 2018 was designated and appropriated for use in the 2018/2019 original budget certified for taxes.

E. 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 \$20,092,234. Of this amount, \$7,334,768 was designated and appropriated in the 2018/2019 original budget certified for taxes and the remaining amount of \$12,757,466 will be appropriated in the 2019/2020 original budget certified for taxes.

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

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 \$102,891,399 and bank and brokerage firm balances of the Board's deposits amounted to \$117,533,804. The Board's deposits which are displayed on the various fund balance sheets as "cash" or "cash and cash equivalents" are categorized as:

Depository Account

Insured	<u>\$ 117,533,804</u>
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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 balances were not exposed to custodial credit risk.

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 the following investments:

<u>Investment Type:</u>	<u>Fair Value</u>
Common Stock	<u>\$ 295,767</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2018 for the district’s individual major funds, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Intergovernmental-				
Federal		\$ 6,378,813	\$ 642,326	\$ 7,021,139
State	\$ 582,604	-	7,515	590,119
Gross Receivables	582,604	6,378,813	649,841	7,611,258
Less: Allowance for Uncollectibles	-	-	-	-
Net Total Receivables	<u>\$ 582,604</u>	<u>\$ 6,378,813</u>	<u>\$ 649,841</u>	<u>\$ 7,611,258</u>

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:

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 1,322,504
Grant Draw Downs Reserved for Encumbrances	<u>205,921</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 1,528,425</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, <u>July 1, 2017</u> <u>(Restated)</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2018</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 25,616,588			\$ 25,616,588
Construction in Progress	<u>6,140,318</u>	\$ 18,202,066	-	<u>24,342,384</u>
Total Capital Assets, Not Being Depreciated	<u>31,756,906</u>	<u>18,202,066</u>	-	<u>49,958,972</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	166,588,452	5,407,639		171,996,091
Improvements Other Than Buildings	5,265,098			5,265,098
Machinery and Equipment	<u>7,972,156</u>	<u>2,315,545</u>	-	<u>10,287,701</u>
Total Capital Assets Being Depreciated	<u>179,825,706</u>	<u>7,723,184</u>	-	<u>187,548,890</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	66,681,488	3,866,331		70,547,819
Improvements Other Than Buildings	2,044,787	210,161		2,254,948
Machinery and Equipment	<u>4,515,563</u>	<u>1,297,914</u>	-	<u>5,813,477</u>
Total Accumulated Depreciation	<u>73,241,838</u>	<u>5,374,406</u>	-	<u>78,616,244</u>
Total Capital Assets, Being Depreciated, Net	<u>106,583,868</u>	<u>2,348,778</u>	-	<u>108,932,646</u>
Governmental Activities Capital Assets, Net	<u>\$ 138,340,774</u>	<u>\$ 20,550,844</u>	<u>\$ -</u>	<u>\$ 158,891,618</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 993,795	-	-	\$ 993,795
Total Capital Assets Being Depreciated	<u>993,795</u>	<u>-</u>	<u>-</u>	<u>993,795</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	420,108	\$ 53,739	-	473,847
Total Accumulated Depreciation	<u>420,108</u>	<u>53,739</u>	<u>-</u>	<u>473,847</u>
Total Capital Assets, Being Depreciated, Net	<u>420,108</u>	<u>53,739</u>	<u>-</u>	<u>473,847</u>
Business-Type Activities Capital Assets, Net	<u>\$ 573,687</u>	<u>\$ (53,739)</u>	<u>\$ -</u>	<u>\$ 519,948</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 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)

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

Governmental Activities:

Instruction	
Regular	\$ 537,524
	<u>537,524</u>
Total Instruction	
Support Services	
General Administration	339,703
Operations and Maintenance of Plant	4,280,198
Student Transportation	216,981
Total Support Services	<u>4,836,882</u>
	<u>5,374,406</u>
Total Governmental Funds	
	<u>\$ 5,374,406</u>
Total Depreciation Expense - Governmental Activities	
Business-Type Activities:	
Food Service Fund	\$ 53,739
	<u>53,739</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 53,739</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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, exclusive of those construction projects being undertaken by the SDA on behalf of the District, as of June 30, 2018:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
HVAC Upgrades, Interior Renovations and Partial Roof Replacement - Shull and McGinnis	\$ 3,213,215	\$ 753,785
Various Alterations and Renovations - PAHS	2,962,577	1,910,423
Exterior Windows and Door Replacements-Various Schools	397,803	5,974,197
Kitchen Renovations-Wilentz and Patton Schools	135,571	1,531,429
Turf Field Replacement - PAHS		<u>502,073</u>
Total		<u>\$ 10,671,907</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	Special Revenue Fund	\$ 1,860,833
General Fund	Food Service Fund	51,504
Food Service Fund	Special Revenue Fund	<u>18,767</u>
Total		<u>\$ 1,931,104</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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers

	Transfer In:		
	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
Transfer Out:			
General Fund		\$ 765,273	\$ 765,273
Special Revenue Fund	\$ 1,757,384	-	1,757,384
Total Transfers	<u>\$ 1,757,384</u>	<u>\$ 765,273</u>	<u>\$ 2,522,657</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.

F. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2018 are comprised of the following issues:

\$10,385,000, 2008 Refunding Bonds, due in annual installments of \$1,065,000 to \$1,145,000 through August 1, 2019, interest at 5%	\$2,210,000
\$5,970,000, 2011 Refunding Bonds, due in an annual installment of \$1,035,000 on July 15, 2018, interest at 3%	<u>1,035,000</u>
Total	<u>\$3,245,000</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Debt (Continued)

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2019	\$ 2,100,000	\$ 99,400	\$ 2,199,400
2020	<u>1,145,000</u>	<u>28,625</u>	<u>1,173,625</u>
Total	<u>\$ 3,245,000</u>	<u>\$ 128,025</u>	<u>\$ 3,373,025</u>

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)	\$ 124,018,976
Less: Net Debt	<u>3,245,000</u>
Remaining Borrowing Power	<u>\$ 120,773,976</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. 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, July 1, 2017 (Restated)	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, 2018	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 5,300,000		\$ (2,055,000)	\$ 3,245,000	\$ 2,100,000
Add: Premium	211,822		(64,944)	146,878	
Less: Discount	(8,080)	-	7,735	(345)	-
	<u>5,503,742</u>	<u>-</u>	<u>(2,112,209)</u>	<u>3,391,533</u>	<u>2,100,000</u>
Total Bonds Payable	5,503,742	-	(2,112,209)	3,391,533	2,100,000
Lease-Purchase Agreement ("COPS")	1,150,000		(1,150,000)	-	
Compensated Absences	10,282,230	\$ 555,750	(202,985)	10,634,995	582,456
Net Pension Liability	112,763,941		(21,824,052)	90,939,889	
OPEB Liability	44,815,380	2,155,257	(1,882,455)	45,088,182	-
Governmental Activity Long-Term Liabilities	<u>\$ 174,515,293</u>	<u>\$ 2,711,007</u>	<u>\$ (27,171,701)</u>	<u>\$ 150,054,599</u>	<u>\$ 2,682,456</u>
Business-Type Activities:					
Compensated Absences	\$ 665,525	\$ 63,210	-	\$ 728,735	-
Business-Type Activity Long-Term Liabilities	<u>\$ 665,525</u>	<u>\$ 63,210</u>	<u>\$ -</u>	<u>\$ 728,735</u>	<u>\$ -</u>

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

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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 is a member of the New Jersey Schools Insurance Group (NJSIG or Group). The Group 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 fund 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 fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

NJSIG provides its 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.

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

<u>Fiscal</u> <u>Year Ended</u> <u>June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2018	NONE	\$ 186,867	\$ 494,808	\$ 1,528,010
2017	NONE	189,066	167,852	1,824,158
2016	NONE	169,733	184,056	1,793,358

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2018, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

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.

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

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

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.

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. 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 <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2018	\$ 3,619,066	\$ 10,383,255	\$ 36,485
2017	3,382,430	7,793,315	N/A
2016	3,074,199	5,379,122	N/A

In addition for fiscal years 2017/2018 and 2016/2017 the District contributed \$66,564 and \$26,996, respectively for PERS and the State contributed \$17,830 and \$20,925, 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 \$5,759,860 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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.

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 \$90,939,889 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 0.39066 percent, which was an increase of 0.00993 percent from its proportionate share measured as of June 30, 2016 of 0.38073 percent.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. 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)

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$8,412,668 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	\$ 2,141,320	
Changes of Assumptions	18,321,254	\$ 18,254,085
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	619,239	
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>6,120,119</u>	<u>-</u>
Total	<u>\$ 27,201,932</u>	<u>\$ 18,254,085</u>

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	\$ 2,013,875
2020	2,013,875
2021	2,013,875
2022	2,013,874
2023	892,348
Thereafter	<u>-</u>
	<u>\$ 8,947,847</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. 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)

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D 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%

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. 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 \$32,361,887 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 \$467,151,445. 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 0.69286 percent, which was an increase of .02101 percent from its proportionate share measured as of June 30, 2016 of 0.67185 percent.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. 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%

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 OTHER INFORMATION (Continued)

D. 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</u> <u>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%</u> <u>Decrease</u> <u>(3.25%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(4.25%)</u>	<u>1%</u> <u>Increase</u> <u>(5.25%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	\$ <u>554,990,570</u>	\$ <u>467,151,445</u>	\$ <u>394,789,192</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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

D. 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.

E. 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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.

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. 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 annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. 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 \$6,706,324, \$6,493,604 and \$6,405,049, 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. 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 \$25,564,040. 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 \$376,471,386. 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 0.70185 percent, which was an increase of 0.00087 percent from its proportionate share measured as of June 30, 2016 of 0.70098 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. 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.

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 OTHER INFORMATION (Continued)

E. 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
Balance, June 30, 2017	\$ 405,386,960
Changes for the Fiscal Year:	
Service Cost	\$ 18,864,915
Interest	11,912,680
Changes of Assumptions	(49,737,317)
Benefit Payments	(10,336,467)
Contributions from the Member	380,615
Net Changes	<u>\$ (28,915,574)</u>
Balance, June 30, 2018 (State Share 100%)	<u>\$ 376,471,386</u>

Changes of assumptions 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	\$ 446,898,696	\$ 376,471,386	\$ 320,607,774

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. 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>\$ 309,611,321</u>	<u>\$ 376,471,386</u>	<u>\$ 465,260,765</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.

District OPEB Plan

Description of the Plan

In addition to the post-employment health benefit plan offered by the State of New Jersey, as described above, the District provides a single employer defined benefit healthcare plan. The plan provides medical, dental and vision insurance benefits to eligible retirees and their spouses. Benefits are earned over the period beginning at the date of hire and ending on the date of full retirement eligibility if less than 25 years.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2017:

Active Plan Members	1,480
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>441</u>
Total	<u>1,921</u>

For reporting purposes, only the amounts related to members or beneficiaries currently receiving benefits are reflected as active plan members are also included and reported in the State Health Benefit Program Fund.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

GASB Statement No. 75 requires employers to recognize the OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense.

For the fiscal year ended June 30, 2018, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,261,979. At June 30, 2018, the District's OPEB liability was \$45,088,182.

The OPEB liability for June 30, 2018 was determined by an actuarial valuation with a measurement date of June 30, 2017.

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	3.56%
2017	June 30, 2016	2.92%

The change in the OPEB liability for the fiscal year ended June 30, 2018 (measurement date June 30, 2017) is as follows:

Balance, June 30, 2016 Measurement Date	\$ 44,815,380
Changes Recognized for the Fiscal Year:	
Service Cost	\$ 4,758,097
Interest	1,368,677
Changes of Assumptions	(5,209,625)
Benefit Payments	(644,347)
Net Changes	\$ 272,802
Balance, June 30, 2017 Measurement Date	\$ 45,088,182

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 4 OTHER INFORMATION (Continued)

F. Tax Abatements

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

For Perth Amboy Public School District, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

NOTE 5 RESTATEMENT

The June 30, 2017 net position of governmental activities and business-type activities has been restated to reflect capital assets and related depreciation balances as reflected in an updated appraisal report. The net effect of this restatement is a reduction of \$46,835,739 in governmental activities net position and an increase in business-type activities net position of \$406,724.

In addition, the June 30, 2017 net position of governmental activities was restated to reflect deferred inflows of resources and the revised liability pertaining to Other Post Employment Benefits (OPEB) as a result of the implementation of GASB Statement No. 75. The net effect of this restatement is a reduction of \$27,266,610 in governmental activities net position.

The cumulative effect of these adjustments is a reduction in governmental activities net position from \$172,512,309, as originally reported, to \$98,409,960, as restated; and an increase in business-type activities net position from \$456,883, as originally reported, to \$863,607, as restated.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Budget to Actual</u>
REVENUES					
Local sources					
Property Tax Levy	\$ 25,259,486		\$ 25,259,486	\$ 25,259,486	
Miscellaneous - Unrestricted	1,200,000	-	1,200,000	1,038,738	\$ (161,262)
Total Local Sources	26,459,486	-	26,459,486	26,298,224	(161,262)
State sources					
Special Education Aid	5,988,488		5,988,488	5,988,488	
Educational Adequacy Aid	11,689,337		11,689,337	11,689,337	
Equalization Aid	136,453,716		136,453,716	137,398,670	944,954
Transportation Aid	1,705,200		1,705,200	1,705,200	
Security Aid	4,265,067		4,265,067	4,265,067	
PARCC Readiness Aid	99,740		99,740	99,740	
Per Pupil Growth Aid	99,740		99,740	99,740	
Prof. Learning Comm Aid	101,300		101,300	101,300	
Adult Education Program Aid				13,918	13,918
Extraordinary Aid				1,012,010	1,012,010
Non-Public Transportation Aid				26,970	26,970
Lead Testing for Schools Aid				13,607	13,607
On Behalf TPAF Contributions (NonBudget)					
Pension Benefit Contribution				10,137,249	10,137,249
Pension NCGI Premium Contribution				246,006	246,006
Long Term Disability Insurance				17,830	17,830
Post Retirement Medical Benefit Contribution				6,706,324	6,706,324
Reimbursed TPAF Social Security Contribution (Non Budgeted)	-	-	-	5,759,860	5,759,860
Total State Sources	160,402,588	-	160,402,588	185,281,316	24,878,728
Federal Sources					
Medicaid Reimbursement	266,431	-	266,431	349,206	82,775
Total Federal Sources	266,431	-	266,431	349,206	82,775
Total Revenues	187,128,505	-	187,128,505	211,928,746	24,800,241
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	3,145,904		3,145,904	2,943,685	202,219
Grades 1-5	23,253,696		23,253,696	20,048,914	3,204,782
Grades 6-8	9,846,850		9,846,850	8,090,762	1,756,088
Grades 9-12	12,077,914	\$ 625,500	12,703,414	10,947,475	1,755,939
Home Instruction					
Salaries of Teachers	400,000	800	400,800	337,864	62,936
Purchased Professional Educational Services	60,000		60,000	36,781	23,219
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	2,411,610		2,411,610	2,392,622	18,988
Purchased Professional Educational Services	54,530		54,530	24,661	29,869
Purchased Professional Technical Services	175,025	8,000	183,025	97,299	85,726
Other Purchased Services	2,607,730	(8,000)	2,599,730	1,480,440	1,119,290
General Supplies	3,885,977	300,000	4,185,977	2,714,835	1,471,142
Textbooks	2,173,287	(300,000)	1,873,287	861,417	1,011,870
Other Objects	171,013	-	171,013	88,767	82,246
Total Regular Programs	60,263,536	626,300	60,889,836	50,065,522	10,824,314

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 2,367,602		\$ 2,367,602	\$ 2,579,977	\$ (212,375)
Other Salaries for Instruction	2,085,930		2,085,930	2,082,398	3,532
General Supplies	81,042		81,042	34,996	46,046
Textbooks	21,140		21,140	1,156	19,984
Other Objects	5,975	-	5,975	3,085	2,890
Total Learning and/or Language Disabilities	<u>4,561,689</u>	<u>-</u>	<u>4,561,689</u>	<u>4,701,612</u>	<u>(139,923)</u>
Behavioral Disabilities					
Salaries of Teachers	277,631		277,631	276,450	1,181
General Supplies	2,200	-	2,200	1,502	698
Total Behavioral Disabilities	<u>279,831</u>	<u>-</u>	<u>279,831</u>	<u>277,952</u>	<u>1,879</u>
Resource Room					
Salaries of Teachers	4,719,224		4,719,224	4,340,062	379,162
Other Salaries for Instruction	1,938,534		1,938,534	1,931,725	6,809
Purchased Professional Educational Services	1,500	\$ (1,500)			
General Supplies	41,200		41,200	15,888	25,312
Textbooks	18,502	-	18,502	-	18,502
Total Resource Room	<u>6,718,960</u>	<u>(1,500)</u>	<u>6,717,460</u>	<u>6,287,675</u>	<u>429,785</u>
Preschool Disabilities - Full Time					
Salaries of Teachers	464,012		464,012	250,550	213,462
Other Salaries for Instruction	1,471,055	-	1,471,055	1,463,757	7,298
Total Preschool Disabilities - Full Time	<u>1,935,067</u>	<u>-</u>	<u>1,935,067</u>	<u>1,714,307</u>	<u>220,760</u>
Total Special Education	<u>13,495,547</u>	<u>(1,500)</u>	<u>13,494,047</u>	<u>12,981,546</u>	<u>512,501</u>
Bilingual Education					
Salaries of Teachers	10,566,818		10,566,818	8,503,715	2,063,103
Other Salaries for Instruction	309,217		309,217	220,645	88,572
Purchased Professional Educational Services	10,000		10,000		10,000
Other Purchased Services	22,750		22,750		22,750
General Supplies	371,621	39	371,660	182,272	189,388
Textbooks	325,236		325,236	58,383	266,853
Other Objects	13,000	-	13,000	-	13,000
Total Bilingual Education	<u>11,618,642</u>	<u>39</u>	<u>11,618,681</u>	<u>8,965,015</u>	<u>2,653,666</u>
Vocational Programs - Local - Instruction					
Other Objects	120,000	-	120,000	84,605	35,395
Total Vocational Programs - Local - Instruction	<u>120,000</u>	<u>-</u>	<u>120,000</u>	<u>84,605</u>	<u>35,395</u>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
School Sponsored Co-Curricular Activities					
Salaries	\$ 196,130		\$ 196,130	\$ 89,658	\$ 106,472
Other Purchased Services	21,245		21,245	4,011	17,234
Supplies and Materials	42,000	-	42,000	2,497	39,503
	<u>423,661</u>	<u>-</u>	<u>423,661</u>	<u>139,554</u>	<u>284,107</u>
Total School Sponsored Athletics					
	423,661	-	423,661	139,554	284,107
School Sponsored Athletics					
Salaries	447,947		447,947	491,308	(43,361)
Other Purchased Services	84,800		84,800	68,693	16,107
Supplies and Materials	373,000		373,000	283,738	89,262
Other Objects	25,000	-	25,000	23,393	1,607
	<u>930,747</u>	<u>-</u>	<u>930,747</u>	<u>867,132</u>	<u>63,615</u>
Total School Sponsored Co-Curricular Activities					
	930,747	-	930,747	867,132	63,615
Total - Instruction					
	86,852,133	\$ 624,839	87,476,972	73,103,374	14,373,598
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State- Regular	602,000	33,554	635,554	169,241	466,313
Tuition to Other LEAs Within the State- Special	6,437,000	8,761	6,445,761	3,909,291	2,536,470
Tuition to County Vocational School/Dist.-Spec.	51,000		51,000		51,000
Tuition to County Special Services - School Districts & Regional Day Schools	749,000		749,000	515,635	233,365
Tuition to Private Schools for the Disabled Within the State	7,685,400	75,936	7,761,336	4,258,805	3,502,531
Tuition to Private Schools for the Disabled Outside the State	162,000		162,000	125,717	36,283
Tuition - State Facilities	250,000		250,000	194,626	55,374
Tuition - Other	740,500	-	740,500	353,917	386,583
	<u>16,676,900</u>	<u>118,251</u>	<u>16,795,151</u>	<u>9,527,232</u>	<u>7,267,919</u>
Total Undistributed Expenditures - Instruction					
	16,676,900	118,251	16,795,151	9,527,232	7,267,919
Attendance and Social Work Services					
Salaries	1,158,592		1,158,592	843,278	315,314
Purchased Professional and Technical Services	3,500		3,500		3,500
Other Purchased Services	8,000		8,000		8,000
Supplied and Materials	43,638		43,638	10,994	32,644
Other Objects	6,465	(3,000)	3,465	1,050	2,415
	<u>1,220,195</u>	<u>(3,000)</u>	<u>1,217,195</u>	<u>855,322</u>	<u>361,873</u>
Total Attendance and Social Work Services					
	1,220,195	(3,000)	1,217,195	855,322	361,873

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Health Services					
Salaries	\$ 1,628,574		\$ 1,628,574	\$ 1,563,693	\$ 64,881
Purchased Professional and Technical Services	246,000		246,000	157,978	88,022
Other Purchased Services	13,600		13,600	3,728	9,872
Supplies and Materials	176,336		176,336	83,896	92,440
Other Objects	1,000	-	1,000	1,000	-
Total Health Services	<u>2,065,510</u>	<u>-</u>	<u>2,065,510</u>	<u>1,810,295</u>	<u>255,215</u>
Other Support Services - Students - Extra Services					
Salaries	2,500,000	-	2,500,000	2,475,167	24,833
Total Other Support Services Stud. - Extra Services	<u>2,500,000</u>	<u>-</u>	<u>2,500,000</u>	<u>2,475,167</u>	<u>24,833</u>
Other Support Services - Guidance					
Salaries of Other Professional Staff	2,848,286	\$ 55,800	2,904,086	2,796,450	107,636
Salaries of Secretarial and Clerical Assistants	140,122	(60,000)	80,122	26,576	53,546
Purchased Professional - Educational Services	142,825	4,200	147,025	41,192	105,833
Other Purchaed Professional and Technical Services	1,011,600	5,872	1,017,472	218,362	799,110
Other Purchased Services	3,000		3,000	180	2,820
Supplies and Materials	89,831		89,831	18,920	70,911
Other Objects	21,850	(4,800)	17,050	1,500	15,550
Total Other Support Services - Guidance	<u>4,257,514</u>	<u>1,072</u>	<u>4,258,586</u>	<u>3,103,180</u>	<u>1,155,406</u>
Other Support Services - Child Study Team					
Salaries of Other Professional Staff	2,694,334		2,694,334	2,013,807	680,527
Salaries of Secretarial and Clerical Assistants	171,735		171,735	143,572	28,163
Other Salaries	176,225		176,225	270,305	(94,080)
Supplies and Materials	65,000		65,000	31,136	33,864
Other Objects	20,000	-	20,000	8,513	11,487
Total Other Support Services - Child Study Team	<u>3,127,294</u>	<u>-</u>	<u>3,127,294</u>	<u>2,467,333</u>	<u>659,961</u>
Improvement of Instruction Services					
Salaries of Supervisors of Instruction	2,388,530		2,388,530	2,025,349	363,181
Salaries of Other Professional Staff	58,780	(58,780)			
Salaries of Secretarial and Clerical Assistants	680,385	58,780	739,165	442,376	296,789
Other Salaries	22,000	(12,000)	10,000		10,000
Purchased Professional Educational Svcs.	155,760		155,760	20,514	135,246
Other Purch. Professional and Technical Services	25,000		25,000	7,960	17,040
Other Purchased Services	100,000		100,000	6,106	93,894
Supplies and Materials	337,850		337,850	106,248	231,602
Other Objects	180,590	-	180,590	57,544	123,046
Total Improvement of Instruction Services	<u>3,948,895</u>	<u>(12,000)</u>	<u>3,936,895</u>	<u>2,666,097</u>	<u>1,270,798</u>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Educational Media Services/School Library					
Salaries	\$ 784,482		\$ 784,482	\$ 855,228	\$ (70,746)
Purchased Professional and Technical Services	55,500		55,500	2,777	52,723
Other Purchased Services	2,600		2,600	156	2,444
Supplies and Materials	293,667		293,667	136,447	157,220
Other Objects	1,500	\$ 11,000	12,500	1,104	11,396
Total Educational Media Services/School Library	<u>1,137,749</u>	<u>11,000</u>	<u>1,148,749</u>	<u>995,712</u>	<u>153,037</u>
Instructional Staff Training Serv.					
Other Salaries	314,400		314,400	74,707	239,693
Purchased Professional-Educational Services	555,000		555,000	170,315	384,685
Other Purchased Services	371,351	(8,000)	363,351	74,687	288,664
Supplies and Materials	25,000	333	25,333	3,214	22,119
Other Objects	165,600	(3,000)	162,600	34,325	128,275
Total Instructional Staff Training Serv.	<u>1,431,351</u>	<u>(10,667)</u>	<u>1,420,684</u>	<u>357,248</u>	<u>1,063,436</u>
Support Services General Administration					
Salaries	1,366,830		1,366,830	1,413,711	(46,881)
Legal Services	215,000	2,680	217,680	181,033	36,647
Audit Fees	85,000	151,000	236,000	177,603	58,397
Architectural/Engineering	50,000	3,895	53,895	34,113	19,782
Other Purchased Professional Services	180,000	9,856	189,856	152,234	37,622
Purchased Technical Services	150,000	41,389	191,389	131,094	60,295
Communications/Telephone	470,000	200,000	670,000	554,043	115,957
BOE Other Purchased Services	15,000	10,000	25,000	3,728	21,272
Misc. Purchased Services	120,000	(10,000)	110,000	104,643	5,357
General Supplies	95,000	741	95,741	37,659	58,082
Judgements Against the School District	150,000	(97,815)	52,185	11,210	40,975
Miscellaneous Expenditures	95,000	-	95,000	94,276	724
Total Support Services General Administration	<u>2,991,830</u>	<u>311,746</u>	<u>3,303,576</u>	<u>2,895,347</u>	<u>408,229</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals	3,482,266		3,482,266	3,381,422	100,844
Salaries of Other Professional Staff	1,602,705		1,602,705	1,435,107	167,598
Salaries of Secretarial and Clerical Assistants	131,555		131,555	90,260	41,295
Purchased Professional and Technical Services	5,000		5,000		5,000
Purchased Professional and Educational Services	5,000		5,000		5,000
Other Purchased Services	39,105	(1,740)	37,365	18,264	19,101
Supplies and Materials	144,805		144,805	73,552	71,253
Other Objects	43,567	-	43,567	29,015	14,552
Total Support Services School Administration	<u>5,454,003</u>	<u>(1,740)</u>	<u>5,452,263</u>	<u>5,027,620</u>	<u>424,643</u>
Support Services Central Services					
Salaries	1,074,029		1,074,029	871,930	202,099
Purchased Professional Svcs.	12,500		12,500	5,010	7,490
Purchased Professional Tech Svcs.	60,000		60,000	52,698	7,302
Misc. Purchased Services	104,500	2,258	106,758	58,727	48,031
Supplies and Materials	40,000	519	40,519	30,597	9,922
Misc. Expenditures	11,250	-	11,250	10,590	660
Total Support Services Central Services	<u>1,302,279</u>	<u>2,777</u>	<u>1,305,056</u>	<u>1,029,552</u>	<u>275,504</u>
Support Services Admin. Infor. Technology					
Salaries	1,870,530		1,870,530	1,564,651	305,879
Purchased Professional Services	60,000	27,550	87,550	54,953	32,597
Purchased Technical Services	300,000	20,131	320,131	277,419	42,712
Other Purchased Services	575,000		575,000	560,924	14,076
Supplies and Materials	500,000	666	500,666	432,625	68,041
Total Support Services Admin. Infor. Technology	<u>3,305,530</u>	<u>48,347</u>	<u>3,353,877</u>	<u>2,890,572</u>	<u>463,305</u>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Required Maintenance For School Facilities					
Salaries	\$ 1,146,825	\$ 71,155	\$ 1,217,980	\$ 1,170,383	\$ 47,597
Cleaning, Repair, and Maintenance Services	830,000	24,632	854,632	797,698	56,934
General Supplies	450,000	36,208	486,208	362,965	123,243
Total Required Maintenance For School Facilities	2,426,825	131,995	2,558,820	2,331,046	227,774
Custodial Services					
Salaries	6,684,953	(71,155)	6,613,798	4,719,437	1,894,361
Purchased Professional & Technical Services	550,000	83,555	633,555	312,249	321,306
Cleaning, Repair, and Maintenance Services	570,000	58,251	628,251	587,400	40,851
Ren. of Land and Build Other than Lease Pur. Agree.	1,274,000		1,274,000	1,274,000	
Other Purchased Property	476,000		476,000	369,252	106,748
Insurance	566,006		566,006	566,006	
General Supplies	521,000	1,993	522,993	516,174	6,819
Energy (Electricity)	3,530,000		3,530,000	1,600,875	1,929,125
Energy (Oil)	1,405,000	17,617	1,422,617	475,312	947,305
Other Objects	4,000	-	4,000	3,787	213
Total Custodial Services	15,580,959	90,261	15,671,220	10,424,492	5,246,728
Care and Upkeep of Grounds					
Purchased Professional & Technical Svcs	120,000	18,410	138,410		138,410
Cleaning, Repair, and Maintenance Services	120,000	3,995	123,995	363	123,632
General Supplies	120,000	1,271	121,271	6,946	114,325
Total Care and Upkeep of Grounds	360,000	23,676	383,676	7,309	376,367
Security					
Salaries	3,061,180	(31,000)	3,030,180	2,654,266	375,914
Cleaning, Repair, and Maintenance Services	60,247	31,000	91,247	21,148	70,099
General Supplies	-	-	-	(9,535)	9,535
Total Security	3,121,427	-	3,121,427	2,665,879	455,548
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	1,073,570	(100,000)	973,570	797,254	176,316
Salaries for Pupil Transportation (Between Home and School) - Special	1,195,840		1,195,840	927,875	267,965
Salaries for Pupil Transportation (Other Than Between Home and School)	100,000		100,000	100,000	
Other Purchased Professional and Technical Services	30,000		30,000		30,000
Cleaning, Repair and Maintenance	600,000	2,105	602,105	412,138	189,967
Contracted Services - Aid in Lieu of Payments	15,000	100,000	115,000	101,919	13,081
Contracted Services (Between Home & School)-Vendors	2,338,540		2,338,540	2,236,103	102,437
Contracted Services (Other Than Between Home & School)-Vend	10,000		10,000		10,000
Contracted Services (Spec Ed. Students) - Vendors	220,000	6,337	226,337	12,438	213,899
Contracted Services (Special Education Students) - Joint Agreeeme	3,750,000		3,750,000	2,924,570	825,430
Miscellaneous Purchased Services - Transportation	285,839		285,839	173,332	112,507
Supplies and Materials	80,000	11,204	91,204	47,533	43,671
Transportation Supplies	5,000	50	5,050	4,799	251
Total Student Transportation Services	9,703,789	19,696	9,723,485	7,737,961	1,985,524
Unallocated Benefits - Employee Benefits					
Group Insurance	468,746		468,746	468,746	
Social Security Contributions	2,880,894	(2)	2,880,892	2,556,390	324,502
Other Retirement Contributions-PERS	3,881,258	(1)	3,881,257	3,722,115	159,142
Unemployment Compensation	100,000		100,000		100,000
Workmen's Compensation	1,750,505	(349,559)	1,400,946	1,354,286	46,660
Health Benefits	44,057,818	(238,397)	43,819,421	35,423,827	8,395,594
Tuition Reimbursement	700,000		700,000	214,050	485,950
Other Employee Benefits	800,000	-	800,000	202,985	597,015
Total Unallocated Benefits	54,639,221	(587,959)	54,051,262	43,942,399	10,108,863

(Continued)

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
On Behalf TPAF Contributions (Non Budget)					
Pension Benefit Contribution				\$ 10,137,249	\$ (10,137,249)
Pension NCGI Premium Contribution				246,006	(246,006)
Long Term Disability Insurance				17,830	(17,830)
Post Retirement Medical Benefit Contribution				6,706,324	(6,706,324)
On Behalf TPAF Social Security Contribution (Non Budgeted)	-	-	-	5,759,860	(5,759,860)
Total Undistributed Expenditures	\$ 135,251,271	\$ 143,455	\$ 135,394,726	\$ 126,077,032	\$ 9,317,694
Total Expenditures - Current Expense	222,103,404	768,294	222,871,698	199,180,406	23,691,292
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction					
Grades 1-5	188,000	10,000	198,000	61,573	136,427
Grades 6-8	41,200		41,200		41,200
Grades 9-12	50,000		50,000	15,002	34,998
Undistributed Expenditures					
Instructional Staff	25,000		25,000	13,788	11,212
General Administration	10,000	(10,000)			
Central Services	30,000		30,000	5,015	24,985
Admin Info Tech	1,300,000	(80,321)	1,219,679	1,144,762	74,917
Required Maintenance for School Facilities	200,000	7,190	207,190	171,196	35,994
Security	750,000		750,000	569,931	180,069
School Buses - Special	400,000	-	400,000	317,673	82,327
Total Equipment	2,994,200	(73,131)	2,921,069	2,298,940	622,129
Facilities Acquisition and Construction Services					
Other Purchased Professional and Technical Services		177,289	177,289	177,289	
Architectural/Engineering Services	2,500,000	648,254	3,148,254	1,257,428	1,890,826
Construction Services	47,740,565	4,791,446	52,532,011	12,229,290	40,302,721
Total Facilities Acquis. and Const. Services	50,240,565	5,616,989	55,857,554	13,664,007	42,193,547
Total Capital Outlay	53,234,765	5,543,858	58,778,623	15,962,947	42,815,676
SPECIAL SCHOOLS					
Accredited Evening/Adult HS/Post-Grad - Inst.					
Salaries of Teachers	1,727,287		1,727,287	1,093,795	633,492
General Supplies	100,000	(7,000)	93,000	41,718	51,282
Textbooks	20,000	-	20,000	13,858	6,142
Total Accredited Evening/Adult HS/Post-Grad - Inst.	1,847,287	(7,000)	1,840,287	1,149,371	690,916
Accredited Evening/Adult HS/Post-Grad - Support Services					
Salaries	1,323,825		1,323,825	928,842	394,983
Supplies and Materials	12,000		12,000	2,275	9,725
Other Objects	45,000	7,622	52,622	39,458	13,164
Total Accredited Evening/Adult HS/Post-Grad - Support Services	1,380,825	7,622	1,388,447	970,575	417,872
Total Accredited Evening/Adult HS/Post-Grad	3,228,112	622	3,228,734	2,119,946	1,108,788

(Continued)

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Budget to Actual</u>
Adult Education - Instruction					
Salaries of Teachers	\$ 60,000		\$ 60,000	\$ 54,456	\$ 5,544
Textbooks	20,000	-	20,000	4,433	15,567
Total Adult Education - Instruction	80,000	-	80,000	58,889	21,111
Adult Education - Support Services					
Other Purchased Services	16,500	-	16,500	8,725	7,775
Total Adult Education - Support Services	16,500	-	16,500	8,725	7,775
Total Adult Education	96,500	-	96,500	67,614	28,886
Total Special Schools	3,324,612	\$ 622	3,325,234	2,187,560	1,137,674
Transfer of Funds to Charter Schools	8,449,138	834	8,449,972	7,421,484	1,028,488
Total Expenditures - General Fund	287,111,919	6,313,608	293,425,527	224,752,397	68,673,130
Excess (Deficiency) of Revenues Over (Under) Expenditures	(99,983,414)	(6,313,608)	(106,297,022)	(12,823,651)	93,473,371
Other Financing Sources(Uses)					
Operating Transfers In					
Contribution to School Based Budgets - General Fund	123,816,185		123,816,185	106,511,201	(17,304,984)
Contribution to School Based Budgets - Special Revenue Fund	2,042,277		2,042,277	1,757,384	(284,893)
Operating Transfers Out					
Contribution to School Based Budgets	(123,816,185)		(123,816,185)	(106,511,201)	17,304,984
Transfer to Special Revenue Fund - Local Contribution - Preschool	(765,273)	-	(765,273)	(765,273)	-
Total Other Financing Sources(Uses)	1,277,004	-	1,277,004	992,111	(284,893)
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(98,706,410)	(6,313,608)	(105,020,018)	(11,831,540)	93,188,478
Fund Balances, Beginning of Year	121,030,979	-	121,030,979	121,030,979	-
Fund Balances, End of Year	\$ 22,324,569	\$ (6,313,608)	\$ 16,010,961	\$ 109,199,439	\$ 93,188,478
Recapitulation:					
Restricted Fund Balance					
Capital Reserve				\$ 19,314,813	
Capital Reserve, Designated for Subsequent Year's Expenditures				15,000,000	
Excess Surplus				12,757,466	
Excess Surplus, Designated for Subsequent Year's Expenditures				7,334,768	
Committed Fund Balance					
Year End Encumbrances				11,844,389	
Assigned Fund Balance					
Year End Encumbrances				2,280,975	
Designated for Subsequent Year's Expenditures				35,610,188	
Unassigned Fund Balance				5,056,840	
				109,199,439	
Reconciliation to Governmental Fund Statements (GAAP):					
Less: State Aid Revenue not recognized on GAAP basis				(17,036,643)	
Fund Balance (Deficit) per Governmental Funds (GAAP)				\$ 92,162,796	

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			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	\$ 25,259,486		\$ 25,259,486				\$ 25,259,486		\$ 25,259,486	\$ 25,259,486		\$ 25,259,486
Miscellaneous - Unrestricted	1,200,000		1,200,000				1,200,000		1,200,000	1,038,738		1,038,738
State Sources												
Special Education Aid	5,988,488		5,988,488				5,988,488		5,988,488	5,988,488		5,988,488
Educational Adequacy Aid	11,689,337		11,689,337				11,689,337		11,689,337	11,689,337		11,689,337
Equalization Aid	136,453,716		136,453,716				136,453,716		136,453,716	137,398,670		137,398,670
Transportation Aid	1,705,200		1,705,200				1,705,200		1,705,200	1,705,200		1,705,200
Security Aid	4,265,067		4,265,067				4,265,067		4,265,067	4,265,067		4,265,067
PARCC Readiness Aid	99,740		99,740				99,740		99,740	99,740		99,740
Per Pupil Growth Aid	99,740		99,740				99,740		99,740	99,740		99,740
Prof. Learning Comm Aid	101,300		101,300				101,300		101,300	101,300		101,300
Adult Education Program Aid										13,918		13,918
Extraordinary Aid										1,012,010		1,012,010
Non-Public Transportation Aid										26,970		26,970
Lead Testing for Schools Aid										13,607		13,607
On Behalf TPAF Pension Contrib. (Non Budgeted)												
Pension Benefit Contribution - Normal Costs										10,137,249		10,137,249
Pension Benefit Contribution - NCGI										246,006		246,006
Long Term Disability Insurance										17,830		17,830
Post Retirement Medical Benefit Contribution										6,706,324		6,706,324
Reimbursed TPAF Social Security Contribution										5,759,860		5,759,860
Federal Sources												
Medicaid Reimbursement	266,431	-	266,431	-	-	-	266,431	-	266,431	349,206	-	349,206
Total Revenues	187,128,505	-	187,128,505	-	-	-	187,128,505	-	187,128,505	211,928,746	-	211,928,746
EXPENDITURES												
CURRENT EXPENDITURES												
Instruction - Regular Programs												
Salaries of Teachers												
Kindergarten	280,000	\$ 2,865,904	3,145,904				280,000	\$ 2,865,904	3,145,904	3,240	\$ 2,940,445	2,943,685
Grades 1-5	961,455	22,292,241	23,253,696				961,455	22,292,241	23,253,696	828,336	19,220,378	20,048,914
Grades 6-8	250,000	9,596,850	9,846,850				250,000	9,596,850	9,846,850	254,860	7,835,302	8,090,762
Grades 9-12	300,000	11,777,914	12,077,914	\$ 625,500	\$ 625,500		300,000	12,403,414	12,703,414	300,180	10,647,295	10,947,475
Home Instruction												
Salaries of Teachers	400,000		400,000	\$ 800		800	400,800		400,800	337,864		337,864
Purchased Professional Educational Services	60,000		60,000				60,000		60,000	36,781		36,781
Regular Programs - Undistributed Instruction												
Other Salaries for Instruction	96,995	2,314,615	2,411,610				96,995	2,314,615	2,411,610	137,137	2,255,485	2,392,622
Purchased Professional Educational Services		54,530	54,530					54,530	54,530		24,661	24,661
Purchased Professional Technical Services	12,000	163,025	175,025	8,000		8,000	20,000	163,025	183,025		97,299	97,299
Other Purchased Services	2,435,000	172,730	2,607,730	(8,000)		(8,000)	2,427,000	172,730	2,599,730	1,408,940	71,500	1,480,440
General Supplies	265,000	3,620,977	3,885,977		300,000	300,000	265,000	3,920,977	4,185,977	118,995	2,595,840	2,714,835
Textbooks	115,000	2,058,287	2,173,287		(300,000)	(300,000)	115,000	1,758,287	1,873,287	61,745	799,672	861,417
Other Objects	15,000	156,013	171,013		-	-	15,000	156,013	171,013	5,808	82,959	88,767
Total Regular Programs	5,190,450	55,073,086	60,263,536	800	625,500	626,300	5,191,250	55,698,586	60,889,836	3,493,886	46,571,636	50,065,522

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PERTH AMBOY PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			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												
Learning and/or Language Disabilities												
Salaries of Teachers	\$ 250,000	\$ 2,117,602	\$ 2,367,602	-	-	-	\$ 250,000	\$ 2,117,602	\$ 2,367,602	\$ 488,970	\$ 2,091,007	\$ 2,579,977
Other Salaries for Instruction	45,000	2,040,930	2,085,930	-	-	-	45,000	2,040,930	2,085,930	-	2,082,398	2,082,398
General Supplies	-	81,042	81,042	-	-	-	-	81,042	81,042	-	34,996	34,996
Textbooks	-	21,140	21,140	-	-	-	-	21,140	21,140	-	1,156	1,156
Other Objects	-	5,975	5,975	-	-	-	-	5,975	5,975	-	3,085	3,085
Total Learning and/or Language Disabilities	295,000	4,266,689	4,561,689	-	-	-	295,000	4,266,689	4,561,689	488,970	4,212,642	4,701,612
Behavioral Disabilities												
Salaries of Teachers	-	277,631	277,631	-	-	-	-	277,631	277,631	-	276,450	276,450
General Supplies	-	2,200	2,200	-	-	-	-	2,200	2,200	-	1,502	1,502
Total Behavioral Disabilities	-	279,831	279,831	-	-	-	-	279,831	279,831	-	277,952	277,952
Multiple Disabilities												
Salaries of Teachers	-	-	-	-	-	-	-	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-	-	-	-	-	-	-	-
General Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Total Multiple Disabilities	-	-	-	-	-	-	-	-	-	-	-	-
Resource Room												
Salaries of Teachers	-	4,719,224	4,719,224	-	-	-	-	4,719,224	4,719,224	-	4,340,062	4,340,062
Other Salaries for Instruction	-	1,938,534	1,938,534	-	-	-	-	1,938,534	1,938,534	-	1,931,725	1,931,725
Purchased Professional Educational Services	-	1,500	1,500	-	(1,500)	(1,500)	-	-	-	-	-	-
General Supplies	-	41,200	41,200	-	-	-	-	41,200	41,200	-	15,888	15,888
Textbooks	-	18,502	18,502	-	-	-	-	18,502	18,502	-	-	-
Total Resource Room	-	6,718,960	6,718,960	-	(1,500)	(1,500)	-	6,717,460	6,717,460	-	6,287,675	6,287,675
Preschool Disabilities - Full Time												
Salaries of Teachers	464,012	-	464,012	-	-	-	464,012	-	464,012	250,550	-	250,550
Other Salaries for Instruction	1,471,055	-	1,471,055	-	-	-	1,471,055	-	1,471,055	1,463,757	-	1,463,757
Total Preschool Disabilities - Full Time	1,935,067	-	1,935,067	-	-	-	1,935,067	-	1,935,067	1,714,307	-	1,714,307
Total Special Education	2,230,067	11,265,480	13,495,547	-	(1,500)	(1,500)	2,230,067	11,263,980	13,494,047	2,203,277	10,778,269	12,981,546
Bilingual Education												
Salaries of Teachers	1,559,032	9,007,786	10,566,818	-	-	-	1,559,032	9,007,786	10,566,818	1,291,202	7,212,513	8,503,715
Other Salaries for Instruction	-	309,217	309,217	-	-	-	-	309,217	309,217	-	220,645	220,645
Purchased Professional Educational Services	10,000	-	10,000	-	-	-	10,000	-	10,000	-	-	-
Other Purchased Services	5,000	17,750	22,750	-	-	-	5,000	17,750	22,750	-	-	-
General Supplies	4,000	367,621	371,621	-	39	39	4,000	367,660	371,660	3,143	179,129	182,272
Textbooks	-	325,236	325,236	-	-	-	-	325,236	325,236	-	58,383	58,383
Other Objects	3,000	13,000	13,000	-	-	-	3,000	13,000	13,000	-	-	-
Total Bilingual Education	1,581,032	10,037,610	11,618,642	-	39	39	1,581,032	10,037,649	11,618,681	1,294,345	7,670,670	8,965,015
Vocational Programs - Local - Instruction												
Other Objects	120,000	-	120,000	-	-	-	120,000	-	120,000	84,605	-	84,605
Total Vocational Programs - Local - Instruction	120,000	-	120,000	-	-	-	120,000	-	120,000	84,605	-	84,605

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PERTH AMBOY PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			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 Co-Curricular Activities												
Salaries	\$ 196,130	\$ 196,130	\$ 196,130	-	-	-	\$ 196,130	\$ 196,130	\$ 196,130	\$ 89,658	\$ 89,658	\$ 89,658
Other Purchased Services	21,245	21,245	21,245	-	-	-	21,245	21,245	21,245	4,011	4,011	4,011
Supplies and Materials	42,000	42,000	42,000	-	-	-	42,000	42,000	42,000	2,497	2,497	2,497
Other Objects	-	164,286	164,286	-	-	-	-	164,286	164,286	-	43,388	43,388
Total School Sponsored Athletics	-	423,661	423,661	-	-	-	-	423,661	423,661	-	139,554	139,554
School Sponsored Athletics												
Salaries		447,947	447,947				447,947	447,947	447,947		491,308	491,308
Other Purchased Services		84,800	84,800				84,800	84,800	84,800		68,693	68,693
Supplies and Materials		373,000	373,000				373,000	373,000	373,000		283,738	283,738
Other Objects		25,000	25,000				25,000	25,000	25,000		23,393	23,393
Total School Sponsored Co-Curricular Activities	-	930,747	930,747	-	-	-	-	930,747	930,747	-	867,132	867,132
Total - Instruction	\$ 9,121,549	\$ 77,730,584	\$ 86,852,133	\$ 800	\$ 624,039	\$ 624,839	\$ 9,122,349	\$ 78,354,623	\$ 87,476,972	\$ 7,076,113	\$ 66,027,261	\$ 73,103,374
Undistributed Expenditures												
Instruction												
Tuition to Other LEAs Within the State- Regular	602,000	602,000	602,000	33,554		33,554	635,554	635,554	635,554	169,241		169,241
Tuition to Other LEAs Within the State- Special	6,437,000	6,437,000	6,437,000	8,761		8,761	6,445,761	6,445,761	6,445,761	3,909,291		3,909,291
Tuition to County Vocational School/Dist.-Spec.	51,000	51,000	51,000				51,000	51,000	51,000			51,000
Tuition to County Special Services - School Districts & Regional Day Schools	749,000	749,000	749,000				749,000	749,000	749,000	515,635		515,635
Tuition to Private Schools for the Disabled Within the State	7,685,400	7,685,400	7,685,400	75,936		75,936	7,761,336	7,761,336	7,761,336	4,258,805		4,258,805
Tuition to Private Schools for the Disabled Outside the State	162,000	162,000	162,000				162,000	162,000	162,000	125,717		125,717
Tuition - State Facilities	250,000	250,000	250,000				250,000	250,000	250,000	194,626		194,626
Tuition - Other	740,500	-	740,500				740,500	-	740,500	353,917		353,917
Total Undistributed Expenditures - Instruction	16,676,900	-	16,676,900	118,251	-	118,251	16,795,151	-	16,795,151	9,527,232	-	9,527,232
Attendance and Social Work Services												
Salaries	227,815	930,777	1,158,592				227,815	930,777	1,158,592	58,315	784,963	843,278
Purchased Professional and Technical Services		3,500	3,500					3,500	3,500			3,500
Other Purchased Services		8,000	8,000					8,000	8,000			8,000
Supplies and Materials	5,000	38,638	43,638				5,000	38,638	43,638		10,994	10,994
Other Objects	-	6,465	6,465		(3,000)	(3,000)	-	3,465	3,465		1,050	1,050
Total Attendance and Social Work Services	232,815	987,380	1,220,195	-	(3,000)	(3,000)	232,815	984,380	1,217,195	58,315	797,007	855,322

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			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)												
Health Services												
Salaries	\$ 180,650	\$ 1,447,924	\$ 1,628,574	-	-	-	\$ 180,650	\$ 1,447,924	\$ 1,628,574	\$ 142,852	\$ 1,420,841	\$ 1,563,693
Purchased Professional and Technical Services	235,000	11,000	246,000	-	-	-	235,000	11,000	246,000	157,685	293	157,978
Other Purchased Services	13,000	600	13,600	-	-	-	13,000	600	13,600	3,728	-	3,728
Supplies and Materials	55,000	121,336	176,336	-	-	-	55,000	121,336	176,336	28,838	55,058	83,896
Other Objects	1,000	-	1,000	-	-	-	1,000	-	1,000	1,000	-	1,000
Total Health Services	484,650	1,580,860	2,065,510	-	-	-	484,650	1,580,860	2,065,510	334,103	1,476,192	1,810,295
Other Support Services/Extra Services												
Purchased Professional - Educational Services	2,500,000	-	2,500,000	-	-	-	2,500,000	-	2,500,000	2,475,167	-	2,475,167
Total Other Support Services/Extra Services	2,500,000	-	2,500,000	-	-	-	2,500,000	-	2,500,000	2,475,167	-	2,475,167
Other Support Services - Guidance												
Salaries of Other Professional Staff	59,100	2,789,186	2,848,286	\$ 60,000	\$ (4,200)	\$ 55,800	119,100	2,784,986	2,904,086	57,100	2,739,350	2,796,450
Salaries of Secretarial and Clerical Assistants	118,980	21,142	140,122	(60,000)	-	(60,000)	58,980	21,142	80,122	26,576	-	26,576
Purchased Professional - Educational Services	110,000	32,825	142,825	-	4,200	4,200	110,000	37,025	147,025	31,792	9,400	41,192
Other Purchased Professional and Technical Services	900,000	111,600	1,011,600	5,872	-	5,872	905,872	111,600	1,017,472	182,409	35,953	218,362
Other Purchased Services	-	3,000	3,000	-	-	-	-	3,000	3,000	-	180	180
Supplies and Materials	10,000	79,831	89,831	-	-	-	10,000	79,831	89,831	1,072	17,848	18,920
Other Objects	5,000	16,850	21,850	-	(4,800)	(4,800)	5,000	12,050	17,050	-	1,500	1,500
Total Other Support Services - Guidance	1,203,080	3,054,434	4,257,514	5,872	(4,800)	1,072	1,208,952	3,049,634	4,258,586	298,949	2,804,731	3,103,180
Other Support Services - Child Study Teams												
Salaries of Other Professional Staff	2,694,334	-	2,694,334	-	-	-	2,694,334	-	2,694,334	2,013,807	-	2,013,807
Salaries of Secretarial and Clerical Assistants	171,735	-	171,735	-	-	-	171,735	-	171,735	143,572	-	143,572
Other Salaries	176,225	-	176,225	-	-	-	176,225	-	176,225	270,305	-	270,305
Supplies and Materials	65,000	-	65,000	-	-	-	65,000	-	65,000	31,136	-	31,136
Other Objects	20,000	-	20,000	-	-	-	20,000	-	20,000	8,513	-	8,513
Total Other Support Services - Child Study Teams	3,127,294	-	3,127,294	-	-	-	3,127,294	-	3,127,294	2,467,333	-	2,467,333
Improvement of Instruction Services												
Salaries of Supervisors of Instruction	2,388,530	-	2,388,530	-	-	-	2,388,530	-	2,388,530	2,025,349	-	2,025,349
Salaries of Other Professional Staff	58,780	-	58,780	(58,780)	-	(58,780)	-	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	680,385	-	680,385	58,780	-	58,780	739,165	-	739,165	442,376	-	442,376
Other Salaries	22,000	-	22,000	(12,000)	-	(12,000)	10,000	-	10,000	-	-	-
Purchased Professional Educational Svcs.	155,760	-	155,760	-	-	-	155,760	-	155,760	20,514	-	20,514
Other Purch. Professional and Technical Svcs.	25,000	-	25,000	-	-	-	25,000	-	25,000	7,960	-	7,960
Other Purchased Services	100,000	-	100,000	-	-	-	100,000	-	100,000	6,106	-	6,106
Supplies and Materials	337,850	-	337,850	-	-	-	337,850	-	337,850	106,248	-	106,248
Other Objects	180,590	-	180,590	-	-	-	180,590	-	180,590	57,544	-	57,544
Total Improvement of Instruction Services	3,948,895	-	3,948,895	(12,000)	-	(12,000)	3,936,895	-	3,936,895	2,666,097	-	2,666,097

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
COMBINING BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			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)												
Educational Media Services/School Library												
Salaries	\$ 2,000	\$ 782,482	\$ 784,482				\$ 2,000	\$ 782,482	\$ 784,482	\$ 855,228	\$ 855,228	
Purchased Professional and Technical Services	35,000	20,500	55,500				35,000	20,500	55,500	2,777	2,777	
Other Purchased Services		2,600	2,600					2,600	2,600	156	156	
Supplies and Materials		293,667	293,667					293,667	293,667	136,447	136,447	
Other Objects	-	1,500	1,500	\$ 11,000	-	\$ 11,000	11,000	1,500	12,500	\$ 1,104	-	1,104
Total Educational Media Services/School Library	37,000	1,100,749	1,137,749	11,000	-	11,000	48,000	1,100,749	1,148,749	1,104	994,608	995,712
Instructional Staff Training Serv.												
Other Salaries	314,400		314,400				314,400		314,400	74,707		74,707
Purchased Professional-Educational Services	555,000		555,000				555,000		555,000	170,315		170,315
Other Purchased Services	371,351		371,351	(8,000)		(8,000)	363,351		363,351	74,687		74,687
Supplies and Materials	25,000		25,000	333		333	25,333		25,333	3,214		3,214
Other Objects	165,600	-	165,600	(3,000)	-	(3,000)	162,600	-	162,600	34,323	-	34,323
Total Instructional Staff Training Serv.	1,431,351	-	1,431,351	(10,667)	-	(10,667)	1,420,684	-	1,420,684	357,248	-	357,248
Support Services General Administration												
Salaries	1,366,830		1,366,830				1,366,830		1,366,830	1,413,711		1,413,711
Legal Services	215,000		215,000	2,680		2,680	217,680		217,680	181,033		181,033
Audit Fees	85,000		85,000	151,000		151,000	236,000		236,000	177,603		177,603
Architectural/Engineering	50,000		50,000	3,895		3,895	53,895		53,895	34,113		34,113
Other Purchased Professional Services	180,000		180,000	9,856		9,856	189,856		189,856	152,234		152,234
Purchased Technical Services	150,000		150,000	41,389		41,389	191,389		191,389	131,094		131,094
Communications/Telephone	470,000		470,000	200,000		200,000	670,000		670,000	554,043		554,043
BOE Other Purchased Services	15,000		15,000	10,000		10,000	25,000		25,000	3,728		3,728
Miscellaneous Purchased Services	120,000		120,000	(10,000)		(10,000)	110,000		110,000	104,643		104,643
General Supplies	95,000		95,000	741		741	95,741		95,741	37,659		37,659
Judgements Against the School District	150,000		150,000	(97,815)		(97,815)	52,185		52,185	11,210		11,210
Miscellaneous Expenditures	95,000	-	95,000	-	-	-	95,000	-	95,000	94,276	-	94,276
Total Support Services General Administration	2,991,830	-	2,991,830	311,746	-	311,746	3,303,576	-	3,303,576	2,895,347	-	2,895,347
Support Services School Administration												
Salaries of Principals/Asst. Principals	233,990	3,248,276	3,482,266				233,990	3,248,276	3,482,266	140,227	3,241,195	3,381,422
Salaries of Other Professional Staff		1,602,705	1,602,705					1,602,705	1,602,705	1,435,107	1,435,107	
Salaries of Secretarial and Clerical Assistants	101,555	30,000	131,555				101,555	30,000	131,555	90,260		90,260
Purchased Professional and Technical Services	5,000		5,000				5,000		5,000			
Purchased Professional and Educational Services		5,000	5,000					5,000	5,000			
Other Purchased Services	5,000	34,105	39,105	\$ (1,740)		(1,740)	5,000	32,365	37,365	3,069	15,195	18,264
Supplies and Materials	10,000	134,805	144,805				10,000	134,805	144,805		73,552	73,552
Other Objects	-	43,567	43,567	-	-	-	-	43,567	43,567	-	29,015	29,015
Total Support Services School Administration	355,545	5,098,458	5,454,003	-	(1,740)	(1,740)	355,545	5,096,718	5,452,263	233,556	4,794,064	5,027,620
Support Services Central Services												
Salaries	1,074,029		1,074,029				1,074,029		1,074,029	871,930		871,930
Purchased Professional Services	12,500		12,500				12,500		12,500	5,010		5,010
Purchased Tech Svcs.	60,000		60,000				60,000		60,000	52,698		52,698
Misc. Purchased Services	104,500		104,500	2,258		2,258	106,758		106,758	58,727		58,727
Supplies and Materials	40,000		40,000	519		519	40,519		40,519	30,597		30,597
Misc. Expenditures	11,250	-	11,250	-	-	-	11,250	-	11,250	10,590	-	10,590
Total Support Services Central Services	1,302,279	-	1,302,279	2,777	-	2,777	1,305,056	-	1,305,056	1,029,552	-	1,029,552
Support Services Admin. Info. Technology												
Salaries	1,870,530		1,870,530				1,870,530		1,870,530	1,564,651		1,564,651
Purchased Professional Services	60,000		60,000	27,550		27,550	87,550		87,550	54,953		54,953
Purchased Technical Services	300,000		300,000	20,131		20,131	320,131		320,131	277,419		277,419
Other Purchased Services	575,000		575,000				575,000		575,000	560,924		560,924
Supplies and Materials	500,000	-	500,000	666	-	666	500,666	-	500,666	432,625	-	432,625
Total Support Services Admin. Info. Technology	3,305,530	-	3,305,530	48,347	-	48,347	3,353,877	-	3,353,877	2,890,572	-	2,890,572

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			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)												
Required Maintenance For School Facilities												
Salaries	\$ 1,146,825		\$ 1,146,825	\$ 71,155		\$ 71,155	\$ 1,217,980		\$ 1,217,980	\$ 1,170,383		\$ 1,170,383
Cleaning, Repair, and Maintenance Services	830,000		830,000	24,632		24,632	854,632		854,632	797,698		797,698
General Supplies	450,000	-	450,000	36,208	-	36,208	486,208	-	486,208	362,965	-	362,965
Total Required Maintenance For School Facilities	2,426,825	-	2,426,825	131,995	-	131,995	2,558,820	-	2,558,820	2,331,046	-	2,331,046
Custodial Services												
Salaries	6,684,953		6,684,953	(71,155)		(71,155)	6,613,798		6,613,798	4,719,437		4,719,437
Purchased Professional & Technical Svcs	550,000		550,000	83,555		83,555	633,555		633,555	312,249		312,249
Cleaning, Repair, and Maintenance Services	570,000		570,000	58,251		58,251	628,251		628,251	587,400		587,400
Rental of Land and Building Other than Lease Pur. Agreements	1,274,000		1,274,000				1,274,000		1,274,000	1,274,000		1,274,000
Other Purchased Property Services	476,000		476,000				476,000		476,000	369,252		369,252
Insurance	566,006		566,006				566,006		566,006	566,006		566,006
General Supplies	521,000		521,000	1,993		1,993	522,993	-	522,993	516,174		516,174
Energy (Electricity)	3,530,000		3,530,000				3,530,000		3,530,000	1,600,875		1,600,875
Energy (Natural Gas)	1,405,000		1,405,000	17,617		17,617	1,422,617		1,422,617	475,312		475,312
Other Objects	4,000	-	4,000	-	-	-	4,000	-	4,000	3,787	-	3,787
Total Custodial Services	15,580,959	-	15,580,959	90,261	-	90,261	15,671,220	-	15,671,220	10,424,492	-	10,424,492
Care and Upkeep of Grounds												
Purchased Professional & Technical Svcs	120,000		120,000	18,410		18,410	138,410		138,410			
Cleaning, Repair, and Maintenance Services	120,000		120,000	3,995		3,995	123,995		123,995	363		363
General Supplies	120,000	-	120,000	1,271	-	1,271	121,271	-	121,271	6,946	-	6,946
Total Care and Upkeep of Grounds	360,000	-	360,000	23,676	-	23,676	383,676	-	383,676	7,309	-	7,309
Security												
Salaries	486,775	\$ 2,574,405	3,061,180	(31,000)		(31,000)	455,775	\$ 2,574,405	3,030,180	317,375	\$ 2,336,891	2,654,266
Supplies and Materials		60,247	60,247	31,000		31,000	31,000	60,247	91,247		21,148	21,148
Other Objects											(9,535)	(9,535)
Total Security	486,775	2,634,652	3,121,427	-	-	-	486,775	2,634,652	3,121,427	317,375	2,348,504	2,665,879
Student Transportation Services												
Salaries for Pupil Transportation (Between Home and School) - Regular	1,073,570		1,073,570	(100,000)		(100,000)	973,570		973,570	797,254		797,254
Salaries for Pupil Transportation (Between Home and School) - Special	1,195,840		1,195,840				1,195,840		1,195,840	927,875		927,875
Salaries for Pupil Transportation (Other Than Between Home and School)	100,000		100,000				100,000		100,000	100,000		100,000
Other Purchased Professional and Technical Services	30,000		30,000				30,000		30,000			
Cleaning Repair & Maintenance	600,000		600,000	2,105		2,105	602,105		602,105	412,138		412,138
Contracted Services - Add in Lieu of Payments	15,000		15,000	100,000		100,000	115,000		115,000	101,919		101,919
Contracted Services (Between Home & School)-Vendors	2,000,000	338,540	2,338,540				2,000,000	338,540	2,338,540	2,000,000	236,103	2,236,103
Contracted Services (Other Than Between Home & School)-Vendors	10,000		10,000				10,000		10,000			
Contracted Services (Special Education Students) - Vendors	220,000		220,000	6,337		6,337	226,337		226,337	12,438		12,438
Contracted Services (Special Education Students) - Joint Agreements	3,750,000		3,750,000				3,750,000		3,750,000	2,924,570		2,924,570
Miscellaneous Purchased Services - Transportation	285,839		285,839				285,839		285,839	173,332		173,332
General Supplies	80,000		80,000	11,204		11,204	91,204		91,204	47,533		47,533
Transportation Supplies	5,000	-	5,000	50	-	50	5,050	-	5,050	4,799	-	4,799
Total Student Transportation Services	9,365,249	338,540	9,703,789	19,696	-	19,696	9,384,945	338,540	9,723,485	7,501,838	236,103	7,737,961
Unallocated Benefits - Employee Benefits												
Group Insurance	468,746		468,746				468,746		468,746	468,746		468,746
Social Security Contributions	1,655,723	1,225,171	2,880,894		(2)	(2)	1,655,723	1,225,169	2,880,892	1,466,177	1,090,213	2,556,390
Other Retirement Contributions-PERS	2,483,441	1,397,817	3,881,258	(1)		(1)	2,483,440	1,397,817	3,881,257	2,481,079	1,241,036	3,722,115
Unemployment Compensation	100,000		100,000				100,000		100,000			
Workers' Compensation	1,750,505		1,750,505	(349,559)		(349,559)	1,400,946		1,400,946	1,354,286		1,354,286
Health Benefits	13,627,201	30,430,617	44,057,818	376,100	(614,497)	(238,397)	14,003,301	29,816,120	43,819,421	9,041,036	26,382,791	35,423,827
Tuition Reimbursement	700,000		700,000				700,000		700,000	214,050		214,050
Other Employee Benefits	800,000	-	800,000				800,000	-	800,000	202,985	-	202,985
Total Unallocated Benefits	21,585,616	33,055,605	54,641,221	26,540	(614,499)	(587,959)	21,612,156	32,459,106	54,051,262	15,228,359	28,714,040	43,942,399

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
COMBINING BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			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
On Behalf TPAF Pension Contrib. (Non Budgeted)												
Pension Benefit Contribution - Normal Costs										\$ 10,137,249		\$ 10,137,249
Pension Benefit Contribution - NCGI										246,006		246,006
Long Term Disability Insurance										17,830		17,830
Post Retirement Medical Benefit Contribution										6,706,324		6,706,324
On Behalf TPAF Social Security Contribution (Non Budgeted)										5,759,860		5,759,860
Total Undistributed Expenditures	\$ 87,402,593	\$ 47,848,678	\$ 135,251,271	\$ 767,494	\$ (624,039)	\$ 143,455	\$ 88,170,087	\$ 47,224,639	\$ 135,394,726	83,912,283	\$ 42,164,749	126,077,032
Total Expenditures - Current Expense	96,524,142	125,579,262	222,103,404	768,294	-	768,294	97,292,436	125,579,262	222,871,698	90,988,396	108,192,010	199,180,406
CAPITAL OUTLAY												
Equipment												
Regular Programs - Instruction												
Grades 1-5		188,000	188,000	10,000		10,000	10,000	188,000	198,000		61,573	61,573
Grades 6-8		41,200	41,200					41,200	41,200			
Grades 9-12		50,000	50,000					50,000	50,000		15,002	15,002
Undistributed Expenditures												
Instructional Staff	25,000		25,000				25,000		25,000	13,788		13,788
General Administration	10,000		10,000	(10,000)		(10,000)						
Central Services	30,000		30,000				30,000		30,000	5,015		5,015
Admin Info Tech	1,300,000		1,300,000	(80,321)		(80,321)	1,219,679		1,219,679	1,144,762		1,144,762
Required Maintenance for School Facilities	200,000		200,000	7,190		7,190	207,190		207,190	171,196		171,196
Security	750,000		750,000				750,000		750,000	569,931		569,931
School Buses - Special	400,000		400,000				400,000		400,000	317,673		317,673
Total Equipment	2,715,000	279,200	2,994,200	(73,131)	-	(73,131)	2,641,869	279,200	2,921,069	2,222,365	76,575	2,298,940
Facilities Acquisition and Construction Services												
Other Purchased Professional and Technical Services				177,289		177,289	177,289		177,289	177,289		177,289
Architectural/Engineering Services	2,500,000		2,500,000	648,254		648,254	3,148,254		3,148,254	1,257,428		1,257,428
Construction Services	47,740,565		47,740,565	4,791,446		4,791,446	52,532,011		52,532,011	12,229,290		12,229,290
Total Facilities Acquis. and Const. Services	50,240,565	-	50,240,565	5,616,989	-	5,616,989	55,857,554	-	55,857,554	13,664,007	-	13,664,007
Total Capital Outlay	52,955,565	279,200	53,234,765	5,543,858	-	5,543,858	58,499,423	279,200	58,778,623	15,886,372	76,575	15,962,947
SPECIAL SCHOOLS												
Accredited Evening/Adult HS/Post-Grad - Inst.												
Salaries of Teachers	1,727,287		1,727,287				1,727,287		1,727,287	1,093,795		1,093,795
General Supplies	100,000		100,000	(7,000)		(7,000)	93,000		93,000	41,718		41,718
Textbooks	20,000		20,000				20,000		20,000	13,858		13,858
Total Accredited Evening/Adult HS/Post-Grad - Inst.	1,847,287		1,847,287	(7,000)		(7,000)	1,840,287		1,840,287	1,149,371		1,149,371
Accredited Evening/Adult HS/Post-Grad - Support Services												
Salaries	1,323,825		1,323,825				1,323,825		1,323,825	928,842		928,842
Supplies and Materials	12,000		12,000				12,000		12,000	2,275		2,275
Other Objects	45,000		45,000	7,622		7,622	52,622		52,622	39,458		39,458
Total Accredited Evening/Adult HS/Post-Grad - Support Services	1,380,825		1,380,825	7,622		7,622	1,388,447		1,388,447	970,575		970,575
Total Accredited Evening/Adult HS/Post-Grad	3,228,112		3,228,112	622		622	3,228,734		3,228,734	2,119,946		2,119,946

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 GENERAL FUND
 COMBINING BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget			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
Adult Education - Instruction												
Salaries of Teachers	\$ 60,000		\$ 60,000	-	-	-	\$ 60,000		\$ 60,000	\$ 54,456		\$ 54,456
Textbooks	20,000	-	20,000	-	-	-	20,000	-	20,000	4,433	-	4,433
Total Adult Education - Instruction	80,000	-	80,000	-	-	-	80,000	-	80,000	58,889	-	58,889
Adult Education - Support Services												
Other Purchased Services	16,500	-	16,500	-	-	-	16,500	-	16,500	8,725	-	8,725
Total Adult Education - Support Services	16,500	-	16,500	-	-	-	16,500	-	16,500	8,725	-	8,725
Total Adult Education	96,500	-	96,500	-	-	-	96,500	-	96,500	67,614	-	67,614
Total Special Schools	3,324,612	-	3,324,612	\$ 622	-	\$ 622	3,325,234	-	3,325,234	2,187,560	-	2,187,560
Transfer of Funds to Charter Schools	8,449,138	-	8,449,138	834	-	834	8,449,972	-	8,449,972	7,421,484	-	7,421,484
Total Expenditures - General Fund	161,253,457	\$ 125,858,462	287,111,919	6,313,608	-	6,313,608	167,567,065	\$ 125,858,462	293,425,527	116,483,812	\$ 108,268,585	224,752,397
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,875,048	(125,858,462)	(99,983,414)	(6,313,608)	-	(6,313,608)	19,561,440	(125,858,462)	(106,297,022)	95,444,934	(108,268,585)	(12,823,651)
Other Financing Sources(Uses)												
Operating Transfers In												
Contribution to School Based Budgets - General Fund		123,816,185	123,816,185					123,816,185	123,816,185		106,511,201	106,511,201
Contribution to School Based Budgets - Special Revenue Fund		2,042,277	2,042,277					2,042,277	2,042,277		1,757,384	1,757,384
Operating Transfers Out												
Contribution to School Based Budgets	(123,816,185)		(123,816,185)				(123,816,185)		(123,816,185)	(106,511,201)		(106,511,201)
Transfer to Special Revenue Fund - Local Contribution - Preschool	(765,273)	-	(765,273)	-	-	-	(765,273)	-	(765,273)	(765,273)	-	(765,273)
Total Other Financing Sources(Uses)	(124,581,458)	125,858,462	1,277,004	-	-	-	(124,581,458)	125,858,462	1,277,004	(107,276,474)	108,268,585	992,111
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(98,706,410)	-	(98,706,410)	(6,313,608)	-	(6,313,608)	(105,020,018)	-	(105,020,018)	(11,831,540)	-	(11,831,540)
Fund Balances, Beginning of Year	121,030,979	-	121,030,979	-	-	-	121,030,979	-	121,030,979	121,030,979	-	121,030,979
Fund Balances, End of Year	\$ 22,324,569	\$ -	\$ 22,324,569	\$ (6,313,608)	\$ -	\$ (6,313,608)	\$ 16,010,961	\$ -	\$ 16,010,961	\$ 109,199,439	\$ -	\$ 109,199,439

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
State Sources	\$ 23,261,784	\$ 295,234	\$ 23,557,018	\$ 22,517,270	\$ (1,039,748)
Federal Sources	2,380,770	8,149,679	10,530,449	9,482,771	(1,047,678)
Local Sources	-	52,070	52,070	-	(52,070)
Total Revenues	25,642,554	8,496,983	34,139,537	32,000,041	(2,139,496)
EXPENDITURES					
Instruction					
Salaries of Teachers	5,871,615	2,524,154	8,395,769	7,365,534	1,030,235
Other Salaries for Instruction	3,769,720		3,769,720	3,626,741	142,979
Other Purchased Services	3,741,320	(3,597,220)	144,100	144,100	
Purchased Professional and Technical Services		298,115	298,115	136,710	161,405
General Supplies	216,400	452,092	668,492	634,413	34,079
Textbooks		2,875	2,875	300	2,575
Other Objects	-	7,353	7,353	7,353	-
Total Instruction	13,599,055	(312,631)	13,286,424	11,915,151	1,371,273
Support Services					
Salaries of Supervisors of Instruction	141,237	102,207	243,444	240,625	2,819
Salaries of Program Directors	415,399	76,925	492,324	492,205	119
Salaries of Other Professional Staff	930,102	1,685,628	2,615,730	2,611,269	4,461
Salaries of Secretarial and Clerical Asst.	297,905	82,938	380,843	370,802	10,041
Other Salaries	1,210,596	708,833	1,919,429	1,775,348	144,081
Salaries of Master Teachers	602,067		602,067	602,067	
Personal Services - Employee Benefits	6,094,374	889,733	6,984,107	6,855,181	128,926
Purchased Ed. Services-Contracted Pre-K		3,741,320	3,741,320	3,719,681	21,639
Purchased Professional Education Services		248,511	248,511	247,043	1,468
Purchased Professional and Technical Services		875,321	875,321	867,325	7,996
Other Purchased Prof. Ed. Services	18,180	60,419	78,599	34,821	43,778
Cleaning Repair and Maintenance	16,500	-	16,500	15,400	1,100
Contracted Services - Transportation	753,940	243,174	997,114	997,114	-
Travel		3,700	3,700	851	2,849
Supplies and Materials	227,395	40,835	268,230	246,442	21,788
Total Student and Instruction Related Services	10,707,695	8,759,544	19,467,239	19,076,174	391,065
Facilities Acquisition and Construction Services					
Instructional Equipment	8,800		8,800		8,800
Noninstructional Equipment	50,000	50,070	100,070	16,605	83,465
Total Facilities Acquisition and Construction	58,800	50,070	108,870	16,605	92,265
Sub-Total Expenditures	24,365,550	8,496,983	32,862,533	31,007,930	1,854,603
Other Financing Sources (Uses)					
Operating Transfers In	765,273	-	765,273	765,273	
Contribution to School Based Budgets	(2,042,277)	-	(2,042,277)	(1,757,384)	284,893
Sub-Total Other Financing Sources (Uses)	(1,277,004)	-	(1,277,004)	(992,111)	284,893
Total Outflows	25,642,554	8,496,983	34,139,537	32,000,041	2,139,496
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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)	\$ 211,928,746	\$ 32,000,041
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, 2017		
Encumbrances, June 30, 2018		(205,921)
State Aid payments recognized for GAAP purposes not recognized for Budgetary statements (June 30, 2017)	15,907,944	2,038,401
State Aid payments recognized for Budgetary purposes not recognized for GAAP statements (June 30, 2018)	<u>(17,036,643)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 210,800,047</u>	<u>\$ 33,832,521</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 224,752,397	\$ 31,007,930
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, 2017		
Encumbrances, June 30, 2018	<u>-</u>	<u>(205,921)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 224,752,397</u>	<u>\$ 30,802,009</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III
PENSION INFORMATION
AND
OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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)	0.39066 %	0.38073 %	0.35757 %	0.35579 %	0.33867 %
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 90,939,889</u>	<u>\$ 112,763,941</u>	<u>\$ 80,268,762</u>	<u>\$ 66,614,585</u>	<u>\$ 64,727,574</u>
District's Covered-Employee Payroll	<u>\$ 25,449,798</u>	<u>\$ 24,764,050</u>	<u>\$ 24,050,262</u>	<u>\$ 22,247,404</u>	<u>\$ 22,874,063</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	357%	455%	334%	299%	283%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%	52.08%	48.72%

* 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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S 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	\$ 3,619,066	\$ 3,382,430	\$ 3,074,199	\$ 2,933,124	\$ 2,551,849
Contributions in Relation to the Contractually Required Contributions	<u>3,619,066</u>	<u>3,382,430</u>	<u>3,074,199</u>	<u>2,933,124</u>	<u>2,551,849</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered- Employee Payroll	<u>\$ 25,449,798</u>	<u>\$ 24,764,050</u>	<u>\$ 24,050,262</u>	<u>\$ 22,247,404</u>	<u>\$ 22,874,063</u>
Contributions as a Percentage of Covered-Employee Payroll	14.22%	13.66%	12.78%	13.18%	11.16%

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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)	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
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>\$ 467,151,445</u>	<u>\$ 528,522,894</u>	<u>\$ 423,648,388</u>	<u>\$ 348,313,359</u>	<u>\$ 324,533,030</u>
Total	<u>\$ 467,151,445</u>	<u>\$ 528,522,894</u>	<u>\$ 423,648,388</u>	<u>\$ 348,313,359</u>	<u>\$ 324,533,030</u>
District's Covered-Employee Payroll	<u>\$ -</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan - State Plan

Last One Fiscal Year*

	2018
Total OPEB Liability	
Service Cost	\$ 18,864,915
Interest on Total OPEB Liability	11,912,680
Changes of Assumptions	(49,737,317)
Gross Benefit Payments	(10,336,467)
Contribution from the Member	380,615
Net Change in Total OPEB Liability	(28,915,574)
Total OPEB Liability - Beginning	405,386,960
Total OPEB Liability - Ending	376,471,386
District's Proportionate Share of OPEB Liability	\$0
State's Proportionate Share of OPEB Liability	376,471,436
Total OPEB Liability - Ending	\$ 376,471,436
District's Covered-Employee Payroll	\$ -
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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S OPEB LIABILITY**

Postemployment Health Benefit Plan - Local Plan

Last One Fiscal Year*

	2018
Total OPEB Liability	
Service Cost	\$ 4,758,097
Interest	1,368,677
Changes of Assumptions	(5,209,625)
Gross Benefit Payments	(644,347)
Net Change in Total OPEB Liability	272,802
Total OPEB Liability - Beginning	44,815,380
Total OPEB Liability - Ending	\$ 45,088,182

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
COMBINING BALANCE SHEET
AS OF JUNE 30, 2018**

	Operating Fund <u>Fund 11-13</u>	Blended Resource <u>Fund 15</u>	Total General <u>Fund</u>
ASSETS			
Cash	\$ 93,754,009	\$ 3,409,504	\$ 97,163,513
Intergovernmental Receivable	582,604		582,604
Due from Other Funds	<u>1,912,337</u>	<u>-</u>	<u>1,912,337</u>
 Total Assets	 <u>\$ 96,248,950</u>	 <u>\$ 3,409,504</u>	 <u>\$ 99,658,454</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 3,325,841	\$ 3,409,504	\$ 6,735,345
Other Liability	<u>760,313</u>	<u>-</u>	<u>760,313</u>
 Total Liabilities	 <u>4,086,154</u>	 <u>3,409,504</u>	 <u>7,495,658</u>
 Fund Balances			
Restricted			
Capital Reserve Account	19,314,813		19,314,813
Capital Reserve Designated for Subsequent Year's Expenditures	15,000,000		15,000,000
Excess Surplus	12,757,466		12,757,466
Excess Surplus Designated for Subsequent Year's Expenditures	7,334,768		7,334,768
Committed			
Year End Encumbrances	11,844,389		11,844,389
Assigned			
Year End Encumbrances	2,280,975		2,280,975
Designated for Subsequent Year's Expenditures	35,610,188		35,610,188
Unassigned (Deficits)	<u>(11,979,803)</u>	<u>-</u>	<u>(11,979,803)</u>
 Total Fund Balances	 <u>92,162,796</u>	 <u>-</u>	 <u>92,162,796</u>
 Total Liabilities and Fund Balances	 <u>\$ 96,248,950</u>	 <u>\$ 3,409,504</u>	 <u>\$ 99,658,454</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 COMBINING STATEMENT OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Districtwide

Resources	Resource Amount (Final Budget)	District-Wide Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total/Surplus Carryover
General Fund Contribution	\$ 123,816,185		\$ 106,511,201	\$ 17,304,984
General Fund Encumbrances - June 30, 2017	-		-	-
	<u>123,816,185</u>	98.38%	<u>106,511,201</u>	<u>17,304,984</u>
Other State Resources	-		-	-
Other State Resources	-		-	-
Combined General Fund Contribution and State Resources	<u>123,816,185</u>	98.38%	<u>106,511,201</u>	<u>17,304,984</u>
Restricted Federal Resources				
Title I, Part A	1,617,877		\$ 1,390,202	227,675
	<u>1,617,877</u>	1.28%	<u>1,390,202</u>	<u>227,675</u>
IDEA	424,400		367,182	57,218
	<u>424,400</u>	0.34%	<u>367,182</u>	<u>57,218</u>
Restricted Federal Resources Total	<u>2,042,277</u>	1.62%	<u>1,757,384</u>	<u>284,893</u>
Totals	<u>\$ 125,858,462</u>	100.00%	<u>\$ 108,268,585</u>	<u>\$ 17,589,877</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
STATEMENT OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Anthony V. Ceres

Resources	<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	\$ 9,544,036		\$ 6,679,925	\$ 2,864,111
General Fund Encumbrances - June 30, 2017	<u>-</u>		<u>-</u>	<u>-</u>
	<u>9,544,036</u>		<u>6,679,925</u>	<u>2,864,111</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Combined General Fund Contribution and State Resources	<u>9,544,036</u>	<u>98.43%</u>	<u>6,679,925</u>	<u>2,864,111</u>
Restricted Federal Resources				
Title I, Part A	<u>138,349</u>		<u>96,831</u>	<u>41,518</u>
	<u>138,349</u>	<u>1.43%</u>	<u>96,831</u>	<u>41,518</u>
IDEA	<u>14,250</u>		<u>9,974</u>	<u>4,276</u>
	<u>14,250</u>	<u>0.15%</u>	<u>9,974</u>	<u>4,276</u>
Title III	<u>-</u>		<u>-</u>	<u>-</u>
	<u>-</u>	<u>0.00%</u>	<u>-</u>	<u>-</u>
Restricted Federal Resources Total	<u>152,599</u>	<u>1.57%</u>	<u>106,805</u>	<u>45,794</u>
Totals	<u>\$ 9,696,635</u>	<u>100.00%</u>	<u>\$ 6,786,730</u>	<u>\$ 2,909,905</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School - Perth Amboy High School

Resources	<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	\$ 32,912,430		\$ 28,455,326	\$ 4,457,104
General Fund Encumbrances - June 30, 2017	<u>-</u>		<u>-</u>	<u>-</u>
	<u>32,912,430</u>		<u>28,455,326</u>	<u>4,457,104</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Combined General Fund Contribution and State Resources	<u>32,912,430</u>	<u>98.54%</u>	<u>28,455,326</u>	<u>4,457,104</u>
Restricted Federal Resources				
Title I, Part A	<u>331,262</u>		<u>286,401</u>	<u>44,861</u>
	<u>331,262</u>	<u>0.99%</u>	<u>286,401</u>	<u>44,861</u>
IDEA	<u>157,250</u>		<u>135,955</u>	<u>21,295</u>
	<u>157,250</u>	<u>0.47%</u>	<u>135,955</u>	<u>21,295</u>
Restricted Federal Resources Total	<u>488,512</u>	<u>1.46%</u>	<u>422,356</u>	<u>66,156</u>
Totals	<u>\$ 33,400,942</u>	<u>100.00%</u>	<u>\$ 28,877,682</u>	<u>\$ 4,523,260</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School - McGinnis Middle School

Resources	<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	\$ 16,308,084		\$ 14,557,207	\$ 1,750,877
General Fund Encumbrances - June 30, 2017	-		-	-
	<u>16,308,084</u>		<u>14,557,207</u>	<u>1,750,877</u>
Other State Resources	-		-	-
Other State Resources	-		-	-
Combined General Fund Contribution and State Resources	<u>16,308,084</u>	<u>98.04%</u>	<u>14,557,207</u>	<u>1,750,877</u>
Restricted Federal Resources				
Title I, Part A	<u>249,033</u>		<u>222,296</u>	<u>26,737</u>
	<u>249,033</u>	<u>1.50%</u>	<u>222,296</u>	<u>26,737</u>
IDEA	<u>76,200</u>		<u>68,018</u>	<u>8,182</u>
	<u>76,200</u>	<u>0.46%</u>	<u>68,018</u>	<u>8,182</u>
Restricted Federal Resources Total	<u>325,233</u>	<u>1.96%</u>	<u>290,314</u>	<u>34,919</u>
Totals	<u>\$ 16,633,317</u>	<u>100.00%</u>	<u>\$ 14,847,521</u>	<u>\$ 1,785,796</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School - Edward J. Patten

Resources	<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	\$ 12,145,717		\$ 10,947,058	\$ 1,198,659
General Fund Encumbrances - June 30, 2017	<u>-</u>		<u>-</u>	<u>-</u>
	<u>12,145,717</u>		<u>10,947,058</u>	<u>1,198,659</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Combined General Fund Contribution and State Resources	<u>12,145,717</u>	<u>98.36%</u>	<u>10,947,058</u>	<u>1,198,659</u>
Restricted Federal Resources				
Title I, Part A	158,759		143,091	15,668
	<u>158,759</u>	<u>1.29%</u>	<u>143,091</u>	<u>15,668</u>
IDEA	42,750		38,531	4,219
	<u>42,750</u>	<u>0.35%</u>	<u>38,531</u>	<u>4,219</u>
Restricted Federal Resources Total	<u>201,509</u>	<u>1.64%</u>	<u>181,622</u>	<u>19,887</u>
Totals	<u>\$ 12,347,226</u>	<u>100.00%</u>	<u>\$ 11,128,680</u>	<u>\$ 1,218,546</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School - Samuel E. Schull Middle 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>
Resources				
General Fund Contribution	\$ 16,986,742		\$ 14,536,236	\$ 2,450,506
General Fund Encumbrances - June 30, 2017	<u>-</u>		<u>-</u>	<u>-</u>
	<u>16,986,742</u>		<u>14,536,236</u>	<u>2,450,506</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Combined General Fund Contribution and State Resources	<u>16,986,742</u>	<u>97.94%</u>	<u>14,536,236</u>	<u>2,450,506</u>
Restricted Federal Resources				
Title I, Part A	<u>279,236</u>		<u>238,953</u>	<u>40,283</u>
	<u>279,236</u>	<u>1.61%</u>	<u>238,953</u>	<u>40,283</u>
IDEA	<u>78,400</u>		<u>67,090</u>	<u>11,310</u>
	<u>78,400</u>	<u>0.45%</u>	<u>67,090</u>	<u>11,310</u>
Restricted Federal Resources Total	<u>357,636</u>	<u>2.06%</u>	<u>306,043</u>	<u>51,593</u>
Totals	<u>\$ 17,344,378</u>	<u>100.00%</u>	<u>\$ 14,842,279</u>	<u>\$ 2,502,099</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School - James J. Flynn

Resources	<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	\$ 11,476,852		\$ 9,791,220	\$ 1,685,632
General Fund Encumbrances - June 30, 2017	<u>-</u>		<u>-</u>	<u>-</u>
	<u>11,476,852</u>		<u>9,791,220</u>	<u>1,685,632</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Combined General Fund Contribution and State Resources	<u>11,476,852</u>	<u>98.40%</u>	<u>9,791,220</u>	<u>1,685,632</u>
Restricted Federal Resources				
Title I, Part A	<u>146,300</u>		<u>124,812</u>	<u>21,488</u>
	<u>146,300</u>	<u>1.25%</u>	<u>124,812</u>	<u>21,488</u>
IDEA	<u>41,300</u>		<u>35,234</u>	<u>6,066</u>
	<u>41,300</u>	<u>0.35%</u>	<u>35,234</u>	<u>6,066</u>
Restricted Federal Resources Total	<u>187,600</u>	<u>1.60%</u>	<u>160,046</u>	<u>27,554</u>
Totals	<u>\$ 11,664,452</u>	<u>100.00%</u>	<u>\$ 9,951,266</u>	<u>\$ 1,713,186</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School - Dr. Herbert N. Richardson

Resources	<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	\$ 12,397,200		\$ 10,771,489	\$ 1,625,711
General Fund Encumbrances - June 30, 2017	<u>-</u>		<u>-</u>	<u>-</u>
	<u>12,397,200</u>		<u>10,771,489</u>	<u>1,625,711</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Combined General Fund Contribution and State Resources	<u>12,397,200</u>	<u>98.69%</u>	<u>10,771,489</u>	<u>1,625,711</u>
Restricted Federal Resources				
Title I, Part A	<u>151,024</u>		<u>131,219</u>	<u>19,805</u>
	<u>151,024</u>	<u>1.20%</u>	<u>131,219</u>	<u>19,805</u>
IDEA	<u>14,250</u>		<u>12,381</u>	<u>1,869</u>
	<u>14,250</u>	<u>0.11%</u>	<u>12,381</u>	<u>1,869</u>
Restricted Federal Resources Total	<u>165,274</u>	<u>1.31%</u>	<u>143,600</u>	<u>21,674</u>
Totals	<u>\$ 12,562,474</u>	<u>100.00%</u>	<u>\$ 10,915,089</u>	<u>\$ 1,647,385</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
STATEMENT OF EXPENDITURES ALLOCATED BY RESOURCE TYPE-ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Robert N. Wilentz

Resources	<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	\$ 12,045,124		\$ 10,772,740	\$ 1,272,384
General Fund Encumbrances - June 30, 2017	<u>-</u>		<u>-</u>	<u>-</u>
	<u>12,045,124</u>		<u>10,772,740</u>	<u>1,272,384</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Other State Resources	<u>-</u>		<u>-</u>	<u>-</u>
Combined General Fund Contribution and State Resources	<u>12,045,124</u>	<u>98.66%</u>	<u>10,772,740</u>	<u>1,272,384</u>
Restricted Federal Resources				
Title I, Part A	<u>163,914</u>		<u>146,598</u>	<u>17,316</u>
	<u>163,914</u>	<u>1.34%</u>	<u>146,598</u>	<u>17,316</u>
IDEA	<u>-</u>		<u>-</u>	<u>-</u>
	<u>-</u>	<u>0.00%</u>	<u>-</u>	<u>-</u>
Restricted Federal Resources Total	<u>163,914</u>	<u>1.34%</u>	<u>146,598</u>	<u>17,316</u>
Totals	<u>\$ 12,209,038</u>	<u>100.00%</u>	<u>\$ 10,919,338</u>	<u>\$ 1,289,700</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
COMBINING STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Districtwide	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 2,865,904		\$ 2,865,904	\$ 2,940,445	\$ (74,541)
Grades 1 - 5	22,292,241		22,292,241	19,220,578	3,071,663
Grades 6 - 8	9,596,850		9,596,850	7,835,902	1,760,948
Grades 9 - 12	11,777,914	\$ 625,500	12,403,414	10,647,295	1,756,119
Total	<u>46,532,909</u>	<u>625,500</u>	<u>47,158,409</u>	<u>40,644,220</u>	<u>6,514,189</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	2,314,615		2,314,615	2,255,485	59,130
Purchased Professional Educational Services	54,530		54,530	24,661	29,869
Purchased Professional Technical Services	163,025		163,025	97,299	65,726
Other Purchased Services	172,730		172,730	71,500	101,230
General Supplies	3,620,977	300,000	3,920,977	2,595,840	1,325,137
Textbooks	2,058,287	(300,000)	1,758,287	799,672	958,615
Other Objects	156,013	-	156,013	82,959	73,054
Total	<u>8,540,177</u>	<u>-</u>	<u>8,540,177</u>	<u>5,927,416</u>	<u>2,612,761</u>
Total Regular Programs - Instruction	<u>55,073,086</u>	<u>625,500</u>	<u>55,698,586</u>	<u>46,571,636</u>	<u>9,126,950</u>
Special Education - Instruction					
Learning and/or Disabilities					
Salary of Teachers	2,117,602		2,117,602	2,091,007	26,595
Other Salary for Instructors	2,040,930		2,040,930	2,082,398	(41,468)
General Supplies	81,042		81,042	34,996	46,046
Textbooks	21,140		21,140	1,156	19,984
Other Objects	5,975	-	5,975	3,085	2,890
Total	<u>4,266,689</u>	<u>-</u>	<u>4,266,689</u>	<u>4,212,642</u>	<u>54,047</u>
Behavioral Disabilities:					
Salaries of Teachers	277,631	-	277,631	276,450	1,181
General Supplies	2,200	-	2,200	1,502	698
Total	<u>279,831</u>	<u>-</u>	<u>279,831</u>	<u>277,952</u>	<u>1,879</u>
Resource Room					
Salaries of Teachers	4,719,224		4,719,224	4,340,062	379,162
Other Salaries for Instruction	1,938,534		1,938,534	1,931,725	6,809
Purchased Professional-Educational Services	1,500	(1,500)			
General Supplies	41,200		41,200	15,888	25,312
Textbooks	18,502	-	18,502	-	18,502
Total	<u>6,718,960</u>	<u>(1,500)</u>	<u>6,717,460</u>	<u>6,287,675</u>	<u>429,785</u>
Total Special Education - Instruction	<u>11,265,480</u>	<u>(1,500)</u>	<u>11,263,980</u>	<u>10,778,269</u>	<u>485,711</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 COMBINING STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

<u>Districtwide</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES					
Bilingual Education					
Salaries of Teachers	\$ 9,007,786		\$ 9,007,786	\$ 7,212,513	\$ 1,795,273
Other Salaries for Instruction	309,217		309,217	220,645	88,572
Other Purchased Services	17,750		17,750		17,750
General Supplies	367,621	\$ 39	367,660	179,129	188,531
Textbooks	325,236		325,236	58,383	266,853
Other Objects	10,000	-	10,000	-	10,000
Total	<u>10,037,610</u>	<u>39</u>	<u>10,037,649</u>	<u>7,670,670</u>	<u>2,366,979</u>
School Sponsored Cocurricular Activities					
Salaries	196,130		196,130	89,658	106,472
Other Purchased Services	21,245		21,245	4,011	17,234
Supplies and Materials	42,000		42,000	2,497	39,503
Other Objects	164,286	-	164,286	43,388	120,898
Total	<u>423,661</u>	<u>-</u>	<u>423,661</u>	<u>139,554</u>	<u>284,107</u>
School Sponsored Athletics - Instruction					
Salaries	447,947		447,947	491,308	(43,361)
Other Purchased Services	84,800		84,800	68,693	16,107
Supplies and Materials	373,000		373,000	283,738	89,262
Other Objects	25,000	-	25,000	23,393	1,607
Total	<u>930,747</u>	<u>-</u>	<u>930,747</u>	<u>867,132</u>	<u>63,615</u>
Total Instruction	<u>77,730,584</u>	<u>624,039</u>	<u>78,354,623</u>	<u>66,027,261</u>	<u>12,327,362</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
COMBINING STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Districtwide	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Attendance and Social Work					
Salaries	\$ 930,777		\$ 930,777	\$ 784,963	\$ 145,814
Purchased Professional and Technical Services	3,500		3,500		3,500
Other Purchased Services	8,000		8,000		8,000
Supplies and Materials	38,638		38,638	10,994	27,644
Other Objects	6,465	\$ (3,000)	3,465	1,050	2,415
Total	<u>987,380</u>	<u>(3,000)</u>	<u>984,380</u>	<u>797,007</u>	<u>187,373</u>
Health Services					
Salaries	1,447,924		1,447,924	1,420,841	27,083
Purchased Professional and Technical Services	11,000		11,000	293	10,707
Other Purchased Services	600		600		600
Supplies and Materials	121,336	-	121,336	55,058	66,278
Total	<u>1,580,860</u>	<u>-</u>	<u>1,580,860</u>	<u>1,476,192</u>	<u>104,668</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	2,789,186	(4,200)	2,784,986	2,739,350	45,636
Other Salaries	21,142		21,142		21,142
Purchased Professional- Educational Services	32,825	4,200	37,025	9,400	27,625
Other Purchased Professional and Technical Services	111,600		111,600	35,953	75,647
Other Purchased Services	3,000		3,000	180	2,820
Supplies and Materials	79,831		79,831	17,848	61,983
Other Objects	16,850	(4,800)	12,050	1,500	10,550
Total	<u>3,054,434</u>	<u>(4,800)</u>	<u>3,049,634</u>	<u>2,804,231</u>	<u>245,403</u>
Educational Media/School Library					
Salaries	782,482		782,482	855,228	(72,746)
Purchased Professional and Technical Services	20,500		20,500	2,777	17,723
Other Purchased Services	2,600		2,600	156	2,444
Supplies and Materials	293,667		293,667	136,447	157,220
Other Objects	1,500	-	1,500	-	1,500
Total	<u>1,100,749</u>	<u>-</u>	<u>1,100,749</u>	<u>994,608</u>	<u>106,141</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	3,248,276		3,248,276	3,241,195	7,081
Salaries of Sec't and Clerical Assistants	1,602,705		1,602,705	1,435,107	167,598
Other Salaries	30,000		30,000		30,000
Purchased Professional and Technical Services	5,000		5,000		5,000
Other Purchased Services	34,105	(1,740)	32,365	15,195	17,170
Supplies and Materials	134,805		134,805	73,552	61,253
Other Objects	43,567	-	43,567	29,015	14,552
Total	<u>5,098,458</u>	<u>(1,740)</u>	<u>5,096,718</u>	<u>4,794,064</u>	<u>302,654</u>
Security					
Salaries	2,574,405		2,574,405	2,336,891	237,514
Supplies and Materials	60,247		60,247	21,148	39,099
Other Objects	-	-	-	(9,535)	9,535
Total	<u>2,634,652</u>	<u>-</u>	<u>2,634,652</u>	<u>2,348,504</u>	<u>286,148</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
COMBINING STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

<u>Districtwide</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES					
<u>Districtwide</u>					
Student Transportation Services					
Contracted Services (Between Home & School) - Vendors	\$ 338,540	-	\$ 338,540	\$ 236,103	\$ 102,437
Total	<u>338,540</u>	<u>-</u>	<u>338,540</u>	<u>236,103</u>	<u>102,437</u>
Unallocated Employee Benefits					
Social Security	1,225,171	\$ (2)	1,225,169	1,090,213	134,956
Other Retirement Contributions- PERS	1,397,817		1,397,817	1,241,036	156,781
Health Benefits	<u>30,430,617</u>	<u>(614,497)</u>	<u>29,816,120</u>	<u>26,382,791</u>	<u>3,433,329</u>
Total	<u>33,053,605</u>	<u>(614,499)</u>	<u>32,439,106</u>	<u>28,714,040</u>	<u>3,725,066</u>
Total Undistributed Expenditures	<u>47,848,678</u>	<u>(624,039)</u>	<u>47,224,639</u>	<u>42,164,749</u>	<u>5,059,890</u>
Total School Based Budget Current Expense	<u>125,579,262</u>	<u>-</u>	<u>125,579,262</u>	<u>108,192,010</u>	<u>17,387,252</u>
Capital Outlay					
Equipment					
Equipment Grades 1 -5	188,000		188,000	61,573	126,427
Equipment Grades 6-8	41,200		41,200		41,200
Equipment Grades 9-12	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>15,002</u>	<u>34,998</u>
Total Capital Outlay	<u>279,200</u>	<u>-</u>	<u>279,200</u>	<u>76,575</u>	<u>202,625</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>125,858,462</u>	<u>-</u>	<u>125,858,462</u>	<u>108,268,585</u>	<u>17,589,877</u>
Other Financing Sources:					
Operating Transfer In	<u>125,858,462</u>	<u>-</u>	<u>125,858,462</u>	<u>108,268,585</u>	<u>17,589,877</u>
Total Other Financing Sources:	<u>125,858,462</u>	<u>-</u>	<u>125,858,462</u>	<u>108,268,585</u>	<u>17,589,877</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>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Anthony V. Ceres

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 442,450		\$ 442,450	\$ 478,785	\$ (36,335)
Grades 1 - 5	3,394,511	-	3,394,511	2,878,571	515,940
Total	3,836,961	-	3,836,961	3,357,356	479,605
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	397,405		397,405	391,096	6,309
Purchased Professional Technical Services	15,000		15,000	3,428	11,572
Other Purchased Services	54,710		54,710	15,189	39,521
General Supplies	385,000		385,000	182,174	202,826
Textbooks	184,200		184,200	43,451	140,749
Other Objects	21,200	-	21,200	6,231	14,969
Total	1,057,515	-	1,057,515	641,569	415,946
Total Regular Programs - Instruction	4,894,476	-	4,894,476	3,998,925	895,551
Special Education - Instruction					
Resource Room					
Salaries of Teachers	352,012		352,012	147,385	204,627
Other Salaries for Instruction	196,330		196,330	192,378	3,952
General Supplies	10,000		10,000	6,105	3,895
Textbooks	9,502	-	9,502	-	9,502
Total	567,844	-	567,844	345,868	221,976
Total Special Education - Instruction	567,844	-	567,844	345,868	221,976
Bilingual Education					
Salaries of Teachers	522,050		522,050	471,855	50,195
Other Salaries for Instruction	48,020		48,020	52,620	(4,600)
General Supplies	42,000	\$ 39	42,039	36,534	5,505
Textbooks	109,236	-	109,236	5,929	103,307
Total	721,306	39	721,345	566,938	154,407
Total Instruction	6,183,626	39	6,183,665	4,911,731	1,271,934

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Anthony V. Ceres

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Attendance and Social Work					
Salaries	\$ 128,990		\$ 128,990	\$ 103,845	25,145
Other Purchased Services	7,000	-	7,000	-	7,000
Total	<u>135,990</u>	<u>-</u>	<u>135,990</u>	<u>103,845</u>	<u>32,145</u>
Health Services					
Salaries	164,300		164,300	128,685	35,615
Supplies and Materials	7,000	-	7,000	5,504	1,496
Total	<u>171,300</u>	<u>-</u>	<u>171,300</u>	<u>134,189</u>	<u>37,111</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	66,500		66,500	74,140	(7,640)
Purchased Professional- Educational Services	2,500		2,500		2,500
Supplies and Materials	5,000		5,000	768	4,232
Other Objects	500	-	500	-	500
Total	<u>74,500</u>	<u>-</u>	<u>74,500</u>	<u>74,908</u>	<u>(408)</u>
Educational Media/School Library					
Salaries	58,600		58,600	58,600	
Purchased Professional and Technical Services	4,000		4,000		4,000
Supplies and Materials	27,500	-	27,500	6,813	20,687
Total	<u>90,100</u>	<u>-</u>	<u>90,100</u>	<u>65,413</u>	<u>24,687</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	256,200		256,200	254,681	1,519
Salaries of Sec't and Clerical Assistants	133,215		133,215	139,127	(5,912)
Supplies and Materials	12,000		12,000	8,833	3,167
Other Objects	9,382	-	9,382	4,116	5,266
Total	<u>410,797</u>	<u>-</u>	<u>410,797</u>	<u>406,757</u>	<u>4,040</u>
Security					
Salaries	113,620		113,620	100,180	13,440
Supplies and Materials	3,000	-	3,000	2,371	629
Total	<u>116,620</u>	<u>-</u>	<u>116,620</u>	<u>102,551</u>	<u>14,069</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

<u>School - Anthony V. Ceres</u>	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Student Transportation Services					
Contracted Services (Other than Between Home & School) - Vendors	\$ 10,080	-	\$ 10,080	\$ 2,596	\$ 7,484
Total	10,080	-	10,080	2,596	7,484
Unallocated Employee Benefits					
Social Security	94,216	\$ (1)	94,215	78,273	15,942
Other Retirement Contributions- PERS	121,106		121,106	118,167	2,939
Health Benefits	2,243,300	-	2,243,300	743,300	1,500,000
Total	2,458,622	(1)	2,458,621	939,740	1,518,881
Total Undistributed Expenditures	3,468,009	(1)	3,468,008	1,829,999	\$ 1,638,009
Total School Based Budget Current Expense	9,651,635	38	9,651,673	6,741,730	2,909,943
Capital Outlay					
Equipment					
Equipment Grades 1 -5	45,000	-	45,000	45,000	-
Total Capital Outlay	45,000	-	45,000	45,000	-
TOTAL SCHOOL BASED EXPENDITURES	9,696,635	38	9,696,673	6,786,730	2,909,943
Other Financing Sources:					
Operating Transfer In	9,696,635	38	9,696,673	6,786,730	2,909,943
Total Other Financing Sources:	9,696,635	38	9,696,673	6,786,730	2,909,943
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance , Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Perth Amboy High School

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers					
Grades 9 - 12	\$ 11,777,914	\$ 625,500	\$ 12,403,414	\$ 10,647,295	\$ 1,756,119
Total	<u>11,777,914</u>	<u>625,500</u>	<u>12,403,414</u>	<u>10,647,295</u>	<u>1,756,119</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	2,700		2,700		2,700
Other Purchased Services	63,200		63,200	38,739	24,461
General Supplies	710,000	300,000	1,010,000	880,718	129,282
Textbooks	689,000	(300,000)	389,000	313,815	75,185
Other Objects	45,000	-	45,000	38,019	6,981
Total	<u>1,509,900</u>	<u>-</u>	<u>1,509,900</u>	<u>1,271,291</u>	<u>238,609</u>
Total Regular Programs - Instruction	<u>13,287,814</u>	<u>625,500</u>	<u>13,913,314</u>	<u>11,918,586</u>	<u>1,994,728</u>
Special Education - Instruction					
Learning and/or Disabilities					
Salaries of Teachers	709,477		709,477	558,785	150,692
Other Salaries for Instruction	716,830		716,830	759,137	(42,307)
General Supplies	9,000		9,000	9,000	9,000
Textbooks	3,000	-	3,000	-	3,000
Total	<u>1,438,307</u>	<u>-</u>	<u>1,438,307</u>	<u>1,317,922</u>	<u>120,385</u>
Behavioral Disabilities:					
Salaries of Teachers	93,331		93,331	92,150	1,181
Total	<u>93,331</u>	<u>-</u>	<u>93,331</u>	<u>92,150</u>	<u>1,181</u>
Resource Room					
Salaries of Teachers	1,034,585		1,034,585	957,831	76,754
Other Salaries for Instruction	60,654		60,654	59,135	1,519
General Supplies	4,050		4,050		4,050
Textbooks	5,000	-	5,000	-	5,000
Total	<u>1,104,289</u>	<u>-</u>	<u>1,104,289</u>	<u>1,016,966</u>	<u>87,323</u>
Total Special Education - Instruction	<u>2,635,927</u>	<u>-</u>	<u>2,635,927</u>	<u>2,427,038</u>	<u>208,889</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Perth Amboy High School

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Bilingual Education					
Salaries of Teachers	\$ 2,041,600		\$ 2,041,600	\$ 1,495,533	\$ 546,067
General Supplies	7,500		7,500		7,500
Textbooks	68,000	-	68,000	1,121	66,879
Total	2,117,100	-	2,117,100	1,496,654	620,446
School Sponsored Cocurricular Activities					
Salaries	143,130		143,130	41,850	101,280
Other Purchased Services	14,000		14,000	4,011	9,989
Supplies and Materials	18,000		18,000	2,497	15,503
Other Objects	131,000	-	131,000	43,388	87,612
Total	306,130	-	306,130	91,746	214,384
School Sponsored Athletics - Instruction					
Salaries	362,000		362,000	427,043	(65,043)
Other Purchased Services	76,600		76,600	65,335	11,265
Supplies and Materials	363,000		363,000	280,466	82,534
Other Objects	24,000	-	24,000	23,393	607
Total	825,600	-	825,600	796,237	29,363
Total Instruction	19,172,571	\$ 625,500	19,798,071	16,730,261	3,067,810
Attendance and Social Work					
Salaries	172,102	-	172,102	91,110	80,992
Total	172,102	-	172,102	91,110	80,992
Health Services					
Salaries	332,200		332,200	415,085	(82,885)
Purchased Professional and Technical Services	11,000		11,000	293	10,707
Supplies and Materials	25,000	-	25,000	21,856	3,144
Total	368,200	-	368,200	437,234	(69,034)
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	1,594,624		1,594,624	1,429,129	165,495
Purchased Professional- Educational Services	22,000		22,000	8,525	13,475
Other Purchased Professional and Technical Services	100,000		100,000	35,953	64,047
Other Purchased Services	3,000		3,000	180	2,820
Supplies and Materials	7,500		7,500	2,548	4,952
Other Objects	3,000	-	3,000	1,500	1,500
Total	1,730,124	-	1,730,124	1,477,835	252,289

PERTH AMBOY PUBLIC SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Perth Amboy High School

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Educational Media/School Library					
Salaries	\$ 290,977		\$ 290,977	\$ 356,871	\$ (65,894)
Purchased Professional and Technical Services	3,000		3,000	1,228	1,772
Other Purchased Services	2,100		2,100	156	1,944
Supplies and Materials	80,000		80,000	55,694	24,306
Other Objects	1,000	-	1,000	-	1,000
Total	<u>377,077</u>	<u>-</u>	<u>377,077</u>	<u>413,949</u>	<u>(36,872)</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	931,211		931,211	945,740	(14,529)
Salaries of Sec't and Clerical Assistants	466,355		466,355	431,533	34,822
Other Salaries	30,000		30,000		30,000
Purchased Professional and Technical Services	2,000		2,000		2,000
Supplies and Materials	20,000		20,000	2,825	17,175
Other Objects	20,000	-	20,000	13,398	6,602
Total	<u>1,469,566</u>	<u>-</u>	<u>1,469,566</u>	<u>1,393,496</u>	<u>76,070</u>
Security					
Salaries	1,197,715		1,197,715	1,113,701	84,014
Supplies and Materials	12,000	-	12,000	2,879	9,121
Total	<u>1,209,715</u>	<u>-</u>	<u>1,209,715</u>	<u>1,116,580</u>	<u>93,135</u>
Student Transportation Services					
Contracted Services (Other than Between Home & School) -					
Vendors	162,000	-	162,000	115,300	46,700
Total	<u>162,000</u>	<u>-</u>	<u>162,000</u>	<u>115,300</u>	<u>46,700</u>
Unallocated Employee Benefits					
Social Security	339,549		339,549	327,366	12,183
Other Retirement Contributions- PERS	350,038		350,038	321,077	28,961
Health Benefits	8,000,000	\$ (625,498)	7,374,502	6,438,472	936,030
Total	<u>8,689,587</u>	<u>(625,498)</u>	<u>8,064,089</u>	<u>7,086,915</u>	<u>977,174</u>
Total Undistributed Expenditures	<u>14,178,371</u>	<u>(625,498)</u>	<u>13,552,873</u>	<u>12,132,419</u>	<u>1,420,454</u>
Total School Based Budget Current Expense	<u>33,350,942</u>	<u>2</u>	<u>33,350,944</u>	<u>28,862,680</u>	<u>4,488,264</u>
Capital Outlay					
Equipment					
Equipment Grades 9-12	50,000		50,000	15,002	34,998
Total Capital Outlay	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>15,002</u>	<u>34,998</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>33,400,942</u>	<u>2</u>	<u>33,400,944</u>	<u>28,877,682</u>	<u>4,523,262</u>
Other Financing Sources:					
Operating Transfer In	<u>33,400,942</u>	<u>2</u>	<u>33,400,944</u>	<u>28,877,682</u>	<u>4,523,262</u>
Total Other Financing Sources:	<u>33,400,942</u>	<u>2</u>	<u>33,400,944</u>	<u>28,877,682</u>	<u>4,523,262</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>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - McGinnis Middle School

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers					
Grades 1 - 5	\$ 1,017,825		\$ 1,017,825	\$ 1,154,914	\$ (137,089)
Grades 6 - 8	4,905,327	-	4,905,327	4,021,782	883,545
Total	5,923,152	-	5,923,152	5,176,696	746,456
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	101,350		101,350	79,430	21,920
Purchased Professional Educational Services	6,000		6,000	305	5,695
Purchased Professional Technical Services	7,500		7,500	4,228	3,272
General Supplies	500,000		500,000	353,830	146,170
Textbooks	293,307		293,307	149,013	144,294
Other Objects	46,700	-	46,700	11,446	35,254
Total	954,857	-	954,857	598,252	356,605
Total Regular Programs - Instruction	6,878,009	-	6,878,009	5,774,948	1,103,061
Special Education - Instruction					
Learning and/or Disabilities					
Salaries of Teachers	431,675		431,675	413,917	17,758
Other Salaries for Instruction	339,930		339,930	451,831	(111,901)
General Supplies	24,600	-	24,600	11,913	12,687
Total	796,205	-	796,205	877,661	(81,456)
Resource Room					
Salaries of Teachers	803,897		803,897	845,994	(42,097)
Other Salaries for Instruction	56,020	-	56,020	56,020	-
Total	859,917	-	859,917	902,014	(42,097)
Total Special Education - Instruction	1,656,122	-	1,656,122	1,779,675	(123,553)
Bilingual Education					
Salaries of Teachers	1,582,694		1,582,694	1,388,026	194,668
Other Salaries for Instruction	54,045		54,045		54,045
Other Purchased Services	17,750		17,750		17,750
General Supplies	56,200	-	56,200	51,149	5,051
Total	1,710,689	-	1,710,689	1,439,175	271,514
School Sponsored Cocurricular Activities					
Salaries	35,000		35,000	32,193	2,807
Other Purchased Services	7,245		7,245		7,245
Supplies and Materials	24,000		24,000		24,000
Other Objects	33,286	-	33,286	-	33,286
Total	99,531	-	99,531	32,193	67,338
School Sponsored Athletics - Instruction					
Salaries	35,947		35,947	27,215	8,732
Other Purchased Services	5,200		5,200	2,223	2,977
Total	41,147	-	41,147	29,438	11,709
Total Instruction	10,385,498	-	10,385,498	9,055,429	1,330,069

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - McGinnis Middle School

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Attendance and Social Work					
Salaries	\$ 51,500		\$ 51,500	\$ 36,574	\$ 14,926
Purchased Professional and Technical Services	3,500		3,500		3,500
Other Purchased Services	1,000		1,000		1,000
Supplies and Materials	8,000		8,000	1,672	6,328
Other Objects	500	-	500	-	500
Total	<u>64,500</u>	<u>-</u>	<u>64,500</u>	<u>38,246</u>	<u>26,254</u>
Health Services					
Salaries	189,789		189,789	190,383	(594)
Other Purchased Services	600		600		600
Supplies and Materials	53,800	-	53,800	3,676	50,124
Total	<u>244,189</u>	<u>-</u>	<u>244,189</u>	<u>194,059</u>	<u>50,130</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	371,450		371,450	275,058	96,392
Purchased Professional- Educational Services	2,550		2,550		2,550
Other Purchased Professional and Technical Services	8,100		8,100		8,100
Supplies and Materials	43,000		43,000	2,627	40,373
Other Objects	7,550	-	7,550	-	7,550
Total	<u>432,650</u>	<u>-</u>	<u>432,650</u>	<u>277,685</u>	<u>154,965</u>
Educational Media/School Library					
Salaries	122,345		122,345	90,704	31,641
Purchased Professional and Technical Services	2,000		2,000		2,000
Other Purchased Services	500		500		500
Supplies and Materials	54,000		54,000		54,000
Other Objects	500	-	500	-	500
Total	<u>179,345</u>	<u>-</u>	<u>179,345</u>	<u>90,704</u>	<u>88,641</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	502,595		502,595	490,576	12,019
Salaries of Sec't and Clerical Assistants	160,915		160,915	89,409	71,506
Other Purchased Services	18,300		18,300	6,707	11,593
Supplies and Materials	19,000	-	19,000	14,192	4,808
Total	<u>700,810</u>	<u>-</u>	<u>700,810</u>	<u>600,884</u>	<u>99,926</u>
Security					
Salaries	412,045		412,045	393,048	18,997
Supplies and Materials	7,622	-	7,622	1,459	6,163
Total	<u>419,667</u>	<u>-</u>	<u>419,667</u>	<u>394,507</u>	<u>25,160</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - McGinnis Middle School

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Student Transportation Services					
Contracted Services (Other than Between Home & School) - Vendors	\$ 82,960	-	\$ 82,960	\$ 67,173	\$ 15,787
Total	<u>82,960</u>	<u>-</u>	<u>82,960</u>	<u>67,173</u>	<u>15,787</u>
Unallocated Employee Benefits					
Social Security	145,809		145,809	124,241	21,568
Other Retirement Contributions- PERS	131,242		131,242	130,275	967
Health Benefits	3,874,317	\$ 1	3,874,318	\$ 3,874,318	-
Total	<u>4,151,368</u>	<u>1</u>	<u>4,151,369</u>	<u>4,128,834</u>	<u>22,535</u>
Total Undistributed Expenditures	<u>6,275,489</u>	<u>1</u>	<u>6,275,490</u>	<u>5,792,092</u>	<u>483,398</u>
Total School Based Budget Current Expense	<u>16,660,987</u>	<u>1</u>	<u>16,660,988</u>	<u>14,847,521</u>	<u>1,813,467</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>16,660,987</u>	<u>1</u>	<u>16,660,988</u>	<u>14,847,521</u>	<u>1,813,467</u>
Other Financing Sources:					
Operating Transfer In	<u>16,660,987</u>	<u>1</u>	<u>16,660,988</u>	<u>14,847,521</u>	<u>1,813,467</u>
Total Other Financing Sources:	<u>16,660,987</u>	<u>1</u>	<u>16,660,988</u>	<u>14,847,521</u>	<u>1,813,467</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>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Edward J. Patten

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 637,980		\$ 637,980	\$ 630,506	\$ 7,474
Grades 1 - 5	3,771,229	-	3,771,229	3,430,498	340,731
Total	4,409,209	-	4,409,209	4,061,004	348,205
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	564,230		564,230	533,124	31,106
Purchased Professional Educational Services	29,330		29,330	16,633	12,697
Purchased Professional Technical Services	7,800		7,800	2,228	5,572
General Supplies	480,436		480,436	282,451	197,985
Textbooks	171,680		171,680	3,682	167,998
Other Objects	8,688	-	8,688	6,069	2,619
Total	1,262,164	-	1,262,164	844,187	417,977
Total Regular Programs - Instruction	5,671,373	-	5,671,373	4,905,191	766,182
Special Education - Instruction					
Learning and/or Disabilities					
Salaries of Teachers	150,200		150,200	187,556	(37,356)
Other Salaries for Instruction	117,435		117,435	114,412	3,023
General Supplies	10,235	-	10,235	7,186	3,049
Total	277,870	-	277,870	309,154	(31,284)
Behavioral Disabilities:					
Salaries of Teachers	92,150	-	92,150	92,150	-
Total	92,150	-	92,150	92,150	-
Resource Room					
Salaries of Teachers	406,055		406,055	370,105	35,950
Other Salaries for Instruction	404,845		404,845	339,182	65,663
General Supplies	3,100	-	3,100	2,964	136
Total	814,000	-	814,000	712,251	101,749
Total Special Education - Instruction	1,184,020	-	1,184,020	1,113,555	70,465
Bilingual Education					
Salaries of Teachers	980,559		980,559	759,286	221,273
Other Salaries for Instruction	21,692		21,692		21,692
General Supplies	31,371	-	31,371	24,195	7,176
Total	1,033,622	-	1,033,622	783,481	250,141
Total Instruction	7,889,015	-	7,889,015	6,802,227	1,086,788

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Edward J. Patten

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Attendance and Social Work					
Salaries	\$ 154,940		\$ 154,940	\$ 154,639	\$ 301
Supplies and Materials	1,500	-	1,500	-	1,500
Total	<u>156,440</u>	<u>-</u>	<u>156,440</u>	<u>154,639</u>	<u>1,801</u>
Health Services					
Salaries	123,230		123,230	118,730	4,500
Supplies and Materials	4,886	-	4,886	2,736	2,150
Total	<u>128,116</u>	<u>-</u>	<u>128,116</u>	<u>121,466</u>	<u>6,650</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	79,112		79,112	193,667	(114,555)
Purchased Professional- Educational Services	2,775		2,775	-	2,775
Supplies and Materials	3,187	-	3,187	-	3,187
Total	<u>85,074</u>	<u>-</u>	<u>85,074</u>	<u>193,667</u>	<u>(108,593)</u>
Educational Media/School Library					
Salaries	95,085		95,085	48,067	47,018
Purchased Professional and Technical Services	2,000		2,000	84	1,916
Supplies and Materials	14,757	-	14,757	4,384	10,373
Total	<u>111,842</u>	<u>-</u>	<u>111,842</u>	<u>52,535</u>	<u>59,307</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	290,055		290,055	281,554	8,501
Salaries of Sec't and Clerical Assistants	178,235		178,235	168,710	9,525
Other Purchased Services	13,065		13,065	8,458	4,607
Supplies and Materials	15,530		15,530	9,372	6,158
Other Objects	3,435	-	3,435	2,288	1,147
Total	<u>500,320</u>	<u>-</u>	<u>500,320</u>	<u>470,382</u>	<u>29,938</u>
Security					
Salaries	123,355		123,355	116,389	6,966
Supplies and Materials	2,000	-	2,000	1,719	281
Total	<u>125,355</u>	<u>-</u>	<u>125,355</u>	<u>118,108</u>	<u>7,247</u>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Edward J. Patten

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Student Transportation Services					
Contracted Services (Other than Between Home & School) - Vendors	\$ 8,000	-	\$ 8,000	\$ 2,812	\$ 5,188
Total	<u>8,000</u>	<u>-</u>	<u>8,000</u>	<u>2,812</u>	<u>5,188</u>
Unallocated Employee Benefits					
Social Security	138,917		138,917	120,625	18,292
Other Retirement Contributions- PERS	167,747		167,747	133,334	34,413
Health Benefits	2,968,400	-	2,968,400	2,958,885	9,515
Total	<u>3,275,064</u>	<u>-</u>	<u>3,275,064</u>	<u>3,212,844</u>	<u>62,220</u>
Total Undistributed Expenditures	<u>4,390,211</u>	<u>-</u>	<u>4,390,211</u>	<u>4,326,453</u>	<u>63,758</u>
Total School Based Budget Current Expense	<u>12,279,226</u>	<u>-</u>	<u>12,279,226</u>	<u>11,128,680</u>	<u>1,150,546</u>
Capital Outlay					
Equipment					
Equipment Grades 1 -5	68,000	-	68,000	-	68,000
Total Capital Outlay	<u>68,000</u>	<u>-</u>	<u>68,000</u>	<u>-</u>	<u>68,000</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>12,347,226</u>	<u>-</u>	<u>12,347,226</u>	<u>11,128,680</u>	<u>1,218,546</u>
Other Financing Sources:					
Operating Transfer In	<u>12,347,226</u>	<u>-</u>	<u>12,347,226</u>	<u>11,128,680</u>	<u>1,218,546</u>
Total Other Financing Sources:	<u>12,347,226</u>	<u>-</u>	<u>12,347,226</u>	<u>11,128,680</u>	<u>1,218,546</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>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
BLENDED RESOURCE FUND 15
STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Samuel E. Schull Middle School

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers					
Grades 1 - 5	\$ 2,304,684		\$ 2,304,684	\$ 1,638,928	\$ 665,756
Grades 6 - 8	4,691,523	-	4,691,523	3,814,120	877,403
Total	<u>6,996,207</u>	<u>-</u>	<u>6,996,207</u>	<u>5,453,048</u>	<u>1,543,159</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction				48,437	(48,437)
Purchased Professional Technical Services	70,475		70,475	61,768	8,707
Other Purchased Services	10,000		10,000	7,498	2,502
General Supplies	265,299		265,299	250,004	15,295
Textbooks	205,000		205,000	91,498	113,502
Other Objects	5,625	-	5,625	5,171	454
Total	<u>556,399</u>	<u>-</u>	<u>556,399</u>	<u>464,376</u>	<u>92,023</u>
Total Regular Programs - Instruction	<u>7,552,606</u>	<u>-</u>	<u>7,552,606</u>	<u>5,917,424</u>	<u>1,635,182</u>
Special Education - Instruction					
Learning and/or Disabilities					
Salaries of Teachers	194,750		194,750	250,239	(55,489)
Other Salaries for Instruction	199,860		199,860	149,710	50,150
General Supplies	15,375		15,375	5,594	9,781
Textbooks	6,000		6,000		6,000
Other Objects	3,375	-	3,375	3,085	290
Total	<u>419,360</u>	<u>-</u>	<u>419,360</u>	<u>408,628</u>	<u>10,732</u>
Resource Room					
Salaries of Teachers	1,148,315		1,148,315	1,111,847	36,468
Other Salaries for Instruction	352,905		352,905	419,348	(66,443)
General Supplies	5,000	-	5,000	4,434	566
Total	<u>1,506,220</u>	<u>-</u>	<u>1,506,220</u>	<u>1,535,629</u>	<u>(29,409)</u>
Total Special Education - Instruction	<u>1,925,580</u>	<u>-</u>	<u>1,925,580</u>	<u>1,944,257</u>	<u>(18,677)</u>
Bilingual Education					
Salaries of Teachers	1,201,047		1,201,047	1,095,009	106,038
General Supplies	21,500		21,500	11,233	10,267
Textbooks	32,000	-	32,000	30,004	1,996
Total	<u>1,254,547</u>	<u>-</u>	<u>1,254,547</u>	<u>1,136,246</u>	<u>118,301</u>
School Sponsored Cocurricular Activities					
Salaries	18,000	-	18,000	15,615	2,385
Total	<u>18,000</u>	<u>-</u>	<u>18,000</u>	<u>15,615</u>	<u>2,385</u>
School Sponsored Athletics - Instruction					
Salaries	50,000		50,000	37,050	12,950
Other Purchased Services	3,000		3,000	1,135	1,865
Supplies and Materials	10,000		10,000	3,272	6,728
Other Objects	1,000	-	1,000	-	1,000
Total	<u>64,000</u>	<u>-</u>	<u>64,000</u>	<u>41,457</u>	<u>22,543</u>
Total Instruction	<u>10,814,733</u>	<u>-</u>	<u>10,814,733</u>	<u>9,054,999</u>	<u>1,759,734</u>
Attendance and Social Work					
Salaries	66,630		66,630	62,160	4,470
Supplies and Materials	763		763		763
Other Objects	1,385	-	1,385	1,050	335
Total	<u>68,778</u>	<u>-</u>	<u>68,778</u>	<u>63,210</u>	<u>5,568</u>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Samuel E. Schull Middle School

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Health Services					
Salaries	\$ 165,985		\$ 165,985	\$ 105,531	\$ 60,454
Supplies and Materials	7,650	-	7,650	5,967	1,683
Total	<u>173,635</u>	<u>-</u>	<u>173,635</u>	<u>111,498</u>	<u>62,137</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	396,850		396,850	480,846	(83,996)
Other Salaries	21,142		21,142		21,142
Other Purchased Professional and Technical Services	1,000		1,000		1,000
Supplies and Materials	12,475	-	12,475	8,867	3,608
Total	<u>431,467</u>	<u>-</u>	<u>431,467</u>	<u>489,713</u>	<u>(58,246)</u>
Educational Media/School Library					
Salaries	49,175		49,175	42,536	6,639
Purchased Professional and Technical Services	5,000		5,000		5,000
Supplies and Materials	22,500	-	22,500	9,008	13,492
Total	<u>76,675</u>	<u>-</u>	<u>76,675</u>	<u>51,544</u>	<u>25,131</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	459,925		459,925	456,389	3,536
Salaries of Sec't and Clerical Assistants	178,265		178,265	156,691	21,574
Supplies and Materials	12,000		12,000	8,964	3,036
Other Objects	6,750	-	6,750	5,218	1,532
Total	<u>656,940</u>	<u>-</u>	<u>656,940</u>	<u>627,262</u>	<u>29,678</u>
Security					
Salaries	370,005		370,005	235,885	134,120
Supplies and Materials	26,375	-	26,375	6,288	20,087
Total	<u>396,380</u>	<u>-</u>	<u>396,380</u>	<u>242,173</u>	<u>154,207</u>
Student Transportation Services					
Contracted Services (Other than Between Home & School) - Vendors	32,500	-	32,500	29,413	3,087
Total	<u>32,500</u>	<u>-</u>	<u>32,500</u>	<u>29,413</u>	<u>3,087</u>
Unallocated Employee Benefits					
Social Security	132,555		132,555	126,371	6,184
Other Retirement Contributions- PERS	151,945		151,945	145,953	5,992
Health Benefits	4,339,900	-	4,339,900	3,900,143	439,757
Total	<u>4,624,400</u>	<u>-</u>	<u>4,624,400</u>	<u>4,172,467</u>	<u>451,933</u>
Total Undistributed Expenditures	<u>6,460,775</u>	<u>-</u>	<u>6,460,775</u>	<u>5,787,280</u>	<u>673,495</u>
Total School Based Budget Current Expense	<u>17,275,508</u>	<u>-</u>	<u>17,275,508</u>	<u>14,842,279</u>	<u>2,433,229</u>
Capital Outlay					
Equipment					
Equipment Grades 6 -8	41,200		41,200		41,200
Total Capital Outlay	<u>41,200</u>	<u>-</u>	<u>41,200</u>	<u>-</u>	<u>41,200</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>17,316,708</u>	<u>-</u>	<u>17,316,708</u>	<u>14,842,279</u>	<u>2,474,429</u>
Other Financing Sources:					
Operating Transfer In	17,316,708	-	17,316,708	14,842,279	2,474,429
Total Other Financing Sources:	<u>17,316,708</u>	<u>-</u>	<u>17,316,708</u>	<u>14,842,279</u>	<u>2,474,429</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>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - James J. Flynn

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 590,812		\$ 590,812	\$ 576,332	\$ 14,480
Grades 1 - 5	4,038,474	-	4,038,474	3,264,988	773,486
Total	4,629,286	-	4,629,286	3,841,320	787,966
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	439,385		439,385	439,632	(247)
Purchased Professional Technical Services	21,000		21,000	7,192	13,808
Other Purchased Services	25,720		25,720	4,402	21,318
General Supplies	415,556		415,556	168,910	246,646
Textbooks	192,000		192,000	58,239	133,761
Other Objects	19,800	-	19,800	7,900	11,900
Total	1,113,461	-	1,113,461	686,275	427,186
Total Regular Programs - Instruction	5,742,747	-	5,742,747	4,527,595	1,215,152
Special Education - Instruction					
Learning and/or Disabilities					
Salaries of Teachers	210,250		210,250	264,345	(54,095)
Other Salaries for Instruction	275,395		275,395	266,195	9,200
General Supplies	5,200		5,200	2,663	2,537
Textbooks	12,140	-	12,140	1,156	10,984
Total	502,985	-	502,985	534,359	(31,374)
Behavioral Disabilities:					
Salaries of Teachers	92,150		92,150	92,150	
General Supplies	2,200	-	2,200	1,502	698
Total	94,350	-	94,350	93,652	698
Resource Room					
Salaries of Teachers	278,000		278,000	227,640	50,360
Other Salaries for Instruction	183,030		183,030	205,952	(22,922)
General Supplies	5,200		5,200	1,147	4,053
Textbooks	4,000	-	4,000	-	4,000
Total	470,230	-	470,230	434,739	35,491
Total Special Education - Instruction	1,067,565	-	1,067,565	1,062,750	4,815
Bilingual Education					
Salaries of Teachers	575,695		575,695	402,982	172,713
Other Salaries for Instruction	48,020		48,020	48,020	
General Supplies	30,800		30,800	19,371	11,429
Textbooks	34,000	-	34,000	18,179	15,821
Total	688,515	-	688,515	488,552	199,963
Total Instruction	7,498,827	-	7,498,827	6,078,897	1,419,930
Attendance and Social Work					
Salaries	61,785		61,785	41,785	20,000
Other Objects	3,000	\$ (3,000)	-	-	-
Total	64,785	(3,000)	61,785	41,785	20,000

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - James J. Flynn

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Health Services					
Salaries	\$ 172,085		\$ 172,085	\$ 173,065	\$ (980)
Supplies and Materials	6,200	-	6,200	4,754	1,446
Total	<u>178,285</u>	<u>-</u>	<u>178,285</u>	<u>177,819</u>	<u>466</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	92,150		92,150	76,930	15,220
Purchased Professional- Educational Services	3,000		3,000	650	2,350
Supplies and Materials	3,000		3,000	818	2,182
Other Objects	1,500	\$ (1,500)	-	-	-
Total	<u>99,650</u>	<u>(1,500)</u>	<u>98,150</u>	<u>78,398</u>	<u>19,752</u>
Educational Media/School Library					
Salaries				92,150	(92,150)
Supplies and Materials	37,000	-	37,000	15,990	21,010
Total	<u>37,000</u>	<u>-</u>	<u>37,000</u>	<u>108,140</u>	<u>(71,140)</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	278,615		278,615	270,257	8,358
Salaries of Sec'l and Clerical Assistants	185,640		185,640	169,417	16,223
Other Purchased Services	1,000		1,000	30	970
Supplies and Materials	7,000		7,000	(18)	7,018
Other Objects	4,000	-	4,000	3,995	5
Total	<u>476,255</u>	<u>-</u>	<u>476,255</u>	<u>443,681</u>	<u>32,574</u>
Security					
Salaries	105,660		105,660	105,380	280
Supplies and Materials	2,000		2,000	1,579	421
Other Objects	-	-	-	(9,535)	9,535
Total	<u>107,660</u>	<u>-</u>	<u>107,660</u>	<u>97,424</u>	<u>10,236</u>
Student Transportation Services					
Contracted Services (Other than Between Home & School) -					
Vendors	23,000	-	23,000	10,445	12,555
Total	<u>23,000</u>	<u>-</u>	<u>23,000</u>	<u>10,445</u>	<u>12,555</u>
Unallocated Employee Benefits					
Social Security	110,375		110,375	90,686	19,689
Other Retirement Contributions- PERS	156,415		156,415	133,466	22,949
Health Benefits	2,912,200	-	2,912,200	2,690,525	221,675
Total	<u>3,178,990</u>	<u>-</u>	<u>3,178,990</u>	<u>2,914,677</u>	<u>264,313</u>
Total Undistributed Expenditures	4,165,625	(4,500)	4,161,125	3,872,369	288,756
Total School Based Budget Current Expense	<u>11,664,452</u>	<u>(4,500)</u>	<u>11,659,952</u>	<u>9,951,266</u>	<u>1,708,686</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>11,664,452</u>	<u>(4,500)</u>	<u>11,659,952</u>	<u>9,951,266</u>	<u>1,708,686</u>
Other Financing Sources:					
Operating Transfer In	11,664,452	(4,500)	11,659,952	9,951,266	1,708,686
Total Other Financing Sources:	<u>11,664,452</u>	<u>(4,500)</u>	<u>11,659,952</u>	<u>9,951,266</u>	<u>1,708,686</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>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Dr. Herbert N. Richardson

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Kindergarten	\$ 655,925		\$ 655,925	\$ 739,118	\$ (83,193)
Grades 1 - 5	3,616,004	-	3,616,004	3,218,018	397,986
Total	<u>4,271,929</u>	<u>-</u>	<u>4,271,929</u>	<u>3,957,136</u>	<u>314,793</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	429,375		429,375	417,193	12,182
Purchased Professional Educational Services	4,200		4,200		4,200
Purchased Professional Technical Services	26,250		26,250	11,228	15,022
Other Purchased Services	10,000		10,000	5,600	4,400
General Supplies	565,346		565,346	226,750	338,596
Textbooks	115,000		115,000	19,791	95,209
Other Objects	9,000	-	9,000	8,123	877
Total	<u>1,159,171</u>	<u>-</u>	<u>1,159,171</u>	<u>688,685</u>	<u>470,486</u>
Total Regular Programs - Instruction	<u>5,431,100</u>	<u>-</u>	<u>5,431,100</u>	<u>4,645,821</u>	<u>785,279</u>
Special Education - Instruction					
Learning and/or Disabilities					
Salaries of Teachers	323,700		323,700	329,515	(5,815)
Other Salaries for Instruction	341,355		341,355	302,588	38,767
General Supplies	6,132	-	6,132	4,995	1,137
Total	<u>671,187</u>	<u>-</u>	<u>671,187</u>	<u>637,098</u>	<u>34,089</u>
Resource Room					
Salaries of Teachers	261,505		261,505	261,105	400
Other Salaries for Instruction	259,305		259,305	254,219	5,086
General Supplies	5,000	-	5,000	1,238	3,762
Total	<u>525,810</u>	<u>-</u>	<u>525,810</u>	<u>516,562</u>	<u>9,248</u>
Total Special Education - Instruction	<u>1,196,997</u>	<u>-</u>	<u>1,196,997</u>	<u>1,153,660</u>	<u>43,337</u>
Bilingual Education					
Salaries of Teachers	1,253,664		1,253,664	891,942	361,722
Other Salaries for Instruction	50,020		50,020	37,805	12,215
General Supplies	85,250		85,250	15,228	70,022
Textbooks	50,000	-	50,000	3,150	46,850
Total	<u>1,438,934</u>	<u>-</u>	<u>1,438,934</u>	<u>948,125</u>	<u>490,809</u>
Total Instruction	<u>8,067,031</u>	<u>-</u>	<u>8,067,031</u>	<u>6,747,606</u>	<u>1,319,425</u>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Dr. Herbert N. Richardson

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Attendance and Social Work					
Salaries	\$ 148,325		\$ 148,325	\$ 148,345	\$ (20)
Supplies and Materials	2,250	-	2,250	527	1,723
Total	<u>150,575</u>	<u>-</u>	<u>150,575</u>	<u>148,872</u>	<u>1,703</u>
Health Services					
Salaries	156,305		156,305	147,345	8,960
Supplies and Materials	7,500	-	7,500	7,500	-
Total	<u>163,805</u>	<u>-</u>	<u>163,805</u>	<u>154,845</u>	<u>8,960</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	96,350	\$ (4,200)	92,150	104,790	(12,640)
Purchased Professional- Educational Services			4,200	225	3,975
Supplies and Materials	4,669		4,669	2,220	2,449
Other Objects	1,000	-	1,000	-	1,000
Total	<u>102,019</u>	<u>-</u>	<u>102,019</u>	<u>107,235</u>	<u>(5,216)</u>
Educational Media/School Library					
Salaries	74,150		74,150	74,150	
Purchased Professional and Technical Services	3,000		3,000	1,400	1,600
Supplies and Materials	27,660	-	27,660	21,971	5,689
Total	<u>104,810</u>	<u>-</u>	<u>104,810</u>	<u>97,521</u>	<u>7,289.00</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	236,350		236,350	248,919	(12,569)
Salaries of Sect and Clerical Assistants	139,145		139,145	139,497	(352)
Purchased Professional and Technical Services	3,000		3,000		3,000
Supplies and Materials	14,875	-	14,875	9,698	5,177
Total	<u>393,370</u>	<u>-</u>	<u>393,370</u>	<u>398,114</u>	<u>(4,744)</u>
Security					
Salaries	138,265		138,265	133,353	4,912
Supplies and Materials	5,000	-	5,000	3,134	1,866
Total	<u>143,265</u>	<u>-</u>	<u>143,265</u>	<u>136,487</u>	<u>6,778</u>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Dr. Herbert N. Richardson

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Student Transportation Services					
Contracted Services (Other than Between Home & School) -					
Vendors	\$ 10,000	-	\$ 10,000	\$ 4,539	\$ 5,461
Total	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>4,539</u>	<u>5,461</u>
Unallocated Employee Benefits					
Social Security	139,920		139,920	109,006	30,914
Other Retirement Contributions- PERS	166,379		166,379	129,779	36,600
Health Benefits	3,111,300	-	3,111,300	2,874,185	237,115
Total	<u>3,417,599</u>	<u>-</u>	<u>3,417,599</u>	<u>3,112,970</u>	<u>304,629</u>
Total Undistributed Expenditures	<u>4,485,443</u>	<u>-</u>	<u>4,485,443</u>	<u>4,160,583</u>	<u>324,860</u>
Total School Based Budget Current Expense	<u>12,552,474</u>	<u>-</u>	<u>12,552,474</u>	<u>10,908,189</u>	<u>1,644,285</u>
Capital Outlay					
Equipment					
Equipment Grades 1 -5	10,000		10,000	6,900	3,100
Total Capital Outlay	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>6,900</u>	<u>3,100</u>
TOTAL, SCHOOL BASED EXPENDITURES	<u>12,562,474</u>	<u>-</u>	<u>12,562,474</u>	<u>10,915,089</u>	<u>1,647,385</u>
Other Financing Sources:					
Operating Transfer In	<u>12,562,474</u>	<u>-</u>	<u>12,562,474</u>	<u>10,915,089</u>	<u>1,647,385</u>
Total Other Financing Sources:	<u>12,562,474</u>	<u>-</u>	<u>12,562,474</u>	<u>10,915,089</u>	<u>1,647,385</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>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Robert N. Wilentz

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers					
Kindergarten	\$ 538,737		\$ 538,737	\$ 515,704	\$ 23,033
Grades 1 - 5	4,149,514	-	4,149,514	3,634,661	514,853
Total	<u>4,688,251</u>	<u>-</u>	<u>4,688,251</u>	<u>4,150,365</u>	<u>537,886</u>
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	380,170		380,170	346,573	33,597
Purchased Professional Educational Services	15,000		15,000	7,723	7,277
Purchased Professional Technical Services	15,000		15,000	7,227	7,773
Other Purchased Services	9,100		9,100	72	9,028
General Supplies	299,340		299,340	251,003	48,337
Textbooks	208,100	-	208,100	120,183	87,917
Total	<u>926,710</u>	<u>-</u>	<u>926,710</u>	<u>732,781</u>	<u>193,929</u>
Total Regular Programs - Instruction	<u>5,614,961</u>	<u>-</u>	<u>5,614,961</u>	<u>4,883,146</u>	<u>731,815</u>
Special Education - Instruction					
Learning and/or Disabilities					
Salaries of Teachers	97,550		97,550	86,650	10,900
Other Salaries for Instruction	50,125		50,125	38,525	11,600
General Supplies	10,500		10,500	2,645	7,855
Other Objects	2,600	-	2,600	-	2,600
Total	<u>160,775</u>	<u>-</u>	<u>160,775</u>	<u>127,820</u>	<u>32,955</u>
Resource Room					
Salaries of Teachers	434,855		434,855	418,155	16,700
Other Salaries for Instruction	425,445		425,445	405,491	19,954
Purchased Professional-Educational Services	1,500	\$ (1,500)			
General Supplies	8,850	-	8,850	-	8,850
Total	<u>870,650</u>	<u>(1,500)</u>	<u>869,150</u>	<u>823,646</u>	<u>45,504</u>
Total Special Education - Instruction	<u>1,031,425</u>	<u>(1,500)</u>	<u>1,029,925</u>	<u>951,466</u>	<u>78,459</u>
Bilingual Education					
Salaries of Teachers	850,477		850,477	707,880	142,597
Other Salaries for Instruction	87,420		87,420	82,200	5,220
General Supplies	93,000		93,000	21,419	71,581
Textbooks	32,000		32,000		32,000
Other Objects	10,000	-	10,000	-	10,000
Total	<u>1,072,897</u>	<u>-</u>	<u>1,072,897</u>	<u>811,499</u>	<u>261,398</u>
Total Instruction	<u>7,719,283</u>	<u>(1,500)</u>	<u>7,717,783</u>	<u>6,646,111</u>	<u>1,071,672</u>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Robert N. Wilentz

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Attendance and Social Work					
Salaries	\$ 146,505		\$ 146,505	\$ 146,505	
Supplies and Materials	26,125		26,125	8,795	\$ 17,330
Other Objects	1,580	-	1,580	-	1,580
Total	<u>174,210</u>	<u>-</u>	<u>174,210</u>	<u>155,300</u>	<u>18,910</u>
Health Services					
Salaries	144,030		144,030	142,017	2,013
Supplies and Materials	9,300	-	9,300	3,065	6,235
Total	<u>153,330</u>	<u>-</u>	<u>153,330</u>	<u>145,082</u>	<u>8,248</u>
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	92,150		92,150	104,790	(12,640)
Other Purchased Professional and Technical Services	2,500		2,500		2,500
Supplies and Materials	1,000		1,000		1,000
Other Objects	3,300	\$ (3,300)	-	-	-
Total	<u>98,950</u>	<u>(3,300)</u>	<u>95,650</u>	<u>104,790</u>	<u>(9,140)</u>
Educational Media/School Library					
Salaries	92,150		92,150	92,150	
Purchased Professional and Technical Services	1,500		1,500	65	1,435
Supplies and Materials	30,250	-	30,250	22,587	7,663
Total	<u>123,900</u>	<u>-</u>	<u>123,900</u>	<u>114,802</u>	<u>9,098</u>
Support Service - School Administration					
Salaries of Principals/Assistant Principals	293,325		293,325	293,079	246
Salaries of Sec't and Clerical Assistants	160,935		160,935	140,723	20,212
Other Purchased Services	1,740	(1,740)	-	-	-
Supplies and Materials	34,400	-	34,400	19,686	14,714
Total	<u>490,400</u>	<u>(1,740)</u>	<u>488,660</u>	<u>453,488</u>	<u>35,172</u>
Security					
Salaries	113,740		113,740	138,955	(25,215)
Supplies and Materials	2,250	-	2,250	1,719	531
Total	<u>115,990</u>	<u>-</u>	<u>115,990</u>	<u>140,674</u>	<u>(24,684)</u>

(Continued)

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 BLENDED RESOURCE FUND 15
 STATEMENT OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

School - Robert N. Wilentz

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES					
Student Transportation Services					
Contracted Services (Other than Between Home & School) -					
Vendors	\$ 10,000	-	\$ 10,000	\$ 3,825	\$ 6,175
Total	10,000	-	10,000	3,825	6,175
Unallocated Employee Benefits					
Social Security	123,830	\$ (1)	123,829	113,645	10,184
Other Retirement Contributions- PERS	152,945		152,945	128,985	23,960
Health Benefits	2,981,200	11,000	2,992,200	2,902,963	89,237
Total	3,257,975	10,999	3,268,974	3,145,593	123,381
Total Undistributed Expenditures	4,424,755	5,959	4,430,714	4,263,554	167,160
Total School Based Budget Current Expense	12,144,038	4,459	12,148,497	10,909,665	1,238,832
Capital Outlay					
Equipment					
Equipment Grades 1 -5	65,000	-	65,000	9,673	55,327
Total Capital Outlay	65,000	-	65,000	9,673	55,327
TOTAL SCHOOL BASED EXPENDITURES	12,209,038	4,459	12,213,497	10,919,338	1,294,159
Other Financing Sources:					
Operating Transfer In	12,209,038	4,459	12,213,497	10,919,338	1,294,159
Total Other Financing Sources:	12,209,038	4,459	12,213,497	10,919,338	1,294,159
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)					
	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	\$ -	-	\$ -	\$ -	\$ -

SPECIAL REVENUE FUND

PERTH AMBOY PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Sub-Total Brought Forward	Title I	Title IIA	Title III	Title III Immigrant	Temporary Emergency Impact Aid	Total
REVENUES							
State Sources	\$ 22,517,270						\$ 22,517,270
Federal Sources	3,454,982	\$ 3,819,385	\$ 599,336	\$ 762,548	\$ 35,770	\$ 810,750	9,482,771
Total Revenues	25,972,252	3,819,385	599,336	762,548	35,770	810,750	32,000,041
EXPENDITURES							
Instruction							
Salaries of Teachers	\$ 5,798,443	\$ 941,790	\$ 7,035	\$ 164,600		\$ 453,666	\$ 7,365,534
Other Salaries for Instruction	3,530,681		96,060				3,626,741
Other Purchased Services		94,100		50,000			144,100
Purchased Professional and Technical Services	79,317	55,772		1,621			136,710
General Supplies	243,655	260,798		102,603	\$ 27,357		634,413
Textbooks	300						300
Other Objects	7,353	-	-	-	-	-	7,353
Total Instruction	9,659,749	1,352,460	103,095	318,824	27,357	453,666	11,915,151
Support Services							
Salaries of Supervisors of Instruction	131,563	4,975		104,087			240,625
Salaries of Program Directors	434,281	57,924					492,205
Salaries of Other Professional Staff	2,548,231	63,038					2,611,269
Salaries of Secretarial and Clerical	345,667	25,135					370,802
Other Salaries	1,098,051	430,585	45,000	201,712			1,775,348
Salaries of Master Teachers	602,067						602,067
Personal Services Employee-Benefits	6,407,107	361,849	11,092	75,133			6,855,181
Purchased Ed. Services-Contracted Pre-K	3,719,681						3,719,681
Purchased Prof. Educational Services	49,317	83,825				113,901	247,043
Purchased Professional and Technical Services	425,268		420,050	21,507	500		867,325
Other Purchased Prof. Services	3,750	270	20,099	10,702			34,821
Cleaning Repair and Maintenance Ser.	15,400						15,400
Transportation- Between Home and School	753,931					243,183	997,114
Travel	851						851
Supplies and Materials	158,824	49,122	-	30,583	7,913	-	246,442
Total Support Services	16,693,989	1,076,723	496,241	443,724	8,413	357,084	19,076,174
Facilities Acquisition and Construction Services							
Noninstructional Equipment	16,605	-	-	-	-	-	16,605
Total Facilities Acquisition and Construction Services	16,605	-	-	-	-	-	16,605
Sub-Total Expenditures	26,370,343	2,429,183	599,336	762,548	35,770	810,750	31,007,930
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	765,273						765,273
Contribution to School Based Budgets	(367,182)	(1,390,202)	-	-	-	-	(1,757,384)
Sub-Total Other Financing Sources (Uses)	398,091	(1,390,202)	-	-	-	-	(992,111)
Total Outflows	25,972,252	3,819,385	599,336	762,548	35,770	810,750	32,000,041
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-

PERTH AMBOY PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Sub-Total Brought Forward	Preschool Education Aid	IDEA Basic	IDEA Preschool	Adult Basic Education Consortium	Chapter 192 Auxiliary Services Compensatory Education		ESL	Sub-Total Carried Forward
REVENUES									
State Sources	\$ 141,266	\$ 22,294,529				\$ 47,148	\$ 34,327		\$ 22,517,270
Federal Sources	-	-	\$ 2,990,509	\$ 14,462	\$ 450,011	-	-		3,454,982
Total Revenues	<u>141,266</u>	<u>22,294,529</u>	<u>2,990,509</u>	<u>14,462</u>	<u>450,011</u>	<u>47,148</u>	<u>34,327</u>		<u>25,972,252</u>
EXPENDITURES									
Instruction									
Salaries of Teachers		\$ 5,295,000	\$ 98,400		\$ 405,043				\$ 5,798,443
Other Salaries for Instruction		3,530,681							3,530,681
Purchased Professional and Technical Services	\$ 79,317								79,317
General Supplies		152,141			10,039	\$ 47,148	\$ 34,327		243,655
Textbooks					300				300
Other Objects	-	-	7,353	-	-	-	-		7,353
Total Instruction	<u>79,317</u>	<u>8,977,822</u>	<u>105,753</u>	<u>-</u>	<u>415,382</u>	<u>47,148</u>	<u>34,327</u>		<u>9,659,749</u>
Support Services									
Salaries- Personnel Services									
Salaries of Supervisors of Instruction		131,563							131,563
Salaries of Program Directors		434,281							434,281
Salaries of Other Professional Staff		883,082	1,665,149						2,548,231
Salaries of Secretarial and Clerical		299,279	46,388						345,667
Other Salaries		1,098,051							1,098,051
Salaries of Master Teachers		602,067							602,067
Personal Services Employee-Benefits		5,969,105	392,376	\$ 11,397	34,229				6,407,107
Purchased Ed. Services-Contracted Pre-K		3,719,681							3,719,681
Purchased Prof. Educational Services	31,137	18,180							49,317
Purchased Professional and Technical Services	30,812		394,456						425,268
Other Purchased Prof. Services			3,750						3,750
Cleaning Repair and Maintenance Ser.		15,000			400				15,400
Transportation- Between Home and School		753,931							753,931
Travel		123	728						851
Supplies and Materials	-	141,032	14,727	3,065	-	-	-		158,824
Total Support Services	<u>61,949</u>	<u>14,065,375</u>	<u>2,517,574</u>	<u>14,462</u>	<u>34,629</u>	<u>-</u>	<u>-</u>		<u>16,693,989</u>
Facilities Acquisition and Construction Services									
Noninstructional Equipment	-	16,605	-	-	-	-	-		16,605
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>16,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>16,605</u>
Sub-Total Expenditures	<u>141,266</u>	<u>23,059,802</u>	<u>2,623,327</u>	<u>14,462</u>	<u>450,011</u>	<u>47,148</u>	<u>34,327</u>		<u>26,370,343</u>
OTHER FINANCING SOURCES (USES)									
Operating Transfers In		765,273							765,273
Contribution to School Based Budgets	-	-	(367,182)	-	-	-	-		(367,182)
Sub-Total Other Financing Sources (Uses)	<u>-</u>	<u>765,273</u>	<u>(367,182)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>398,091</u>
Total Outflows	<u>141,266</u>	<u>22,294,529</u>	<u>2,990,509</u>	<u>14,462</u>	<u>450,011</u>	<u>47,148</u>	<u>34,327</u>		<u>25,972,252</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Chapter 193 Handicapped Services				New Jersey Nonpublic Aid				Sub-Total Carried Forward
	Transportation	Examination/ Classification	Corrective Speech	Supplemental Instruction	Textbooks	Technology	Nursing	Security	
REVENUES									
State Sources	\$ 12,974	\$ 17,838	\$ 10,714	\$ 15,066	\$ 17,585	\$ 11,877	\$ 31,137	\$ 24,075	\$ 141,266
Total Revenues	<u>12,974</u>	<u>17,838</u>	<u>10,714</u>	<u>15,066</u>	<u>17,585</u>	<u>11,877</u>	<u>31,137</u>	<u>24,075</u>	<u>141,266</u>
EXPENDITURES									
Instruction									
Purchased Professional and Technical Services	-	-	\$ 10,714	\$ 15,066	\$ 17,585	\$ 11,877	-	\$ 24,075	\$ 79,317
Total Instruction	<u>-</u>	<u>-</u>	<u>10,714</u>	<u>15,066</u>	<u>17,585</u>	<u>11,877</u>	<u>-</u>	<u>24,075</u>	<u>79,317</u>
Support Services									
Purchased Prof. Educational Services							\$ 31,137		31,137
Purchased Professional and Technical Services	\$ 12,974	\$ 17,838	-	-	-	-	-	-	30,812
Total Support Services	<u>12,974</u>	<u>17,838</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,137</u>	<u>-</u>	<u>61,949</u>
Sub-Total Expenditures	<u>12,974</u>	<u>17,838</u>	<u>10,714</u>	<u>15,066</u>	<u>17,585</u>	<u>11,877</u>	<u>31,137</u>	<u>24,075</u>	<u>141,266</u>
OTHER FINANCING SOURCES (USES)									
Operating Transfers In									
Contribution to School Based Budgets	-	-	-	-	-	-	-	-	-
Sub-Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Outflows	<u>12,974</u>	<u>17,838</u>	<u>10,714</u>	<u>15,066</u>	<u>17,585</u>	<u>11,877</u>	<u>31,137</u>	<u>24,075</u>	<u>141,266</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	\$ 5,533,122		\$ 5,533,122	\$ 5,295,000	\$ 238,122
Other Salaries for Instruction	3,769,720		3,769,720	3,530,681	239,039
Other Purchased Services	3,741,320	\$ (3,741,320)			
General Supplies	216,400	-	216,400	152,141	64,259
Total Instruction	<u>13,260,562</u>	<u>(3,741,320)</u>	<u>9,519,242</u>	<u>8,977,822</u>	<u>541,420</u>
Support Services					
Salaries of Supervisors of Instruction	141,237		141,237	131,563	9,674
Salaries of Program Directors	415,399		415,399	434,281	(18,882)
Salaries of Other Professional Staff	930,102		930,102	883,082	47,020
Salaries of Secr, and Clerical Assistants	297,905		297,905	299,279	(1,374)
Other Salaries	1,210,596		1,210,596	1,098,051	112,545
Salaries of Master Teachers	602,067		602,067	602,067	
Personal Services - Employee Benefits	6,094,374		6,094,374	5,969,105	125,269
Purchased Ed. Services - Contracted Pre-K		3,741,320	3,741,320	3,719,681	21,639
Other Purchased Prof. - Ed. Services	18,180		18,180	18,180	-
Cleaning, Repair & Maintenance	16,500		16,500	15,000	1,500
Transportation	753,940		753,940	753,931	9
Travel		1,200	1,200	123	1,077
Supplies and Materials	227,395	(1,200)	226,195	141,032	85,163
Total Support Services	<u>10,707,695</u>	<u>3,741,320</u>	<u>14,449,015</u>	<u>14,065,375</u>	<u>383,640</u>
Facilities Acquisition and Construction Services					
Instructional Equipment	8,800		8,800		8,800
Noninstructional Equipment	50,000	-	50,000	16,605	33,395
Total Facilities Acquisition and Construction Services	<u>58,800</u>	<u>-</u>	<u>58,800</u>	<u>16,605</u>	<u>42,195</u>
Total Expenditures	<u>\$ 24,027,057</u>	<u>\$ -</u>	<u>\$ 24,027,057</u>	<u>\$ 23,059,802</u>	<u>\$ 967,255</u>

Calculation of Budget Carryover

Total revised 2017-2018 Preschool Education Aid Allocation	\$ 20,314,440
Cancelled 2017/2018 Accounts Payable	
General Fund Contribution	765,273
Add: Actual ECPA/PEA Carryover (June 30, 2017)	5,305,061
Total Preschool Ed. Aid Funds Available for 2017-2018 Budget	<u>26,384,774</u>
Less: 2017-2018 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>24,027,057</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2018	<u>2,357,717</u>
Add: June 30, 2018 Unexpended Preschool Education Aid	967,255
2017-2018 C/O - Preschool Education Aid Programs	<u>\$ 3,324,972</u>
2017-18 Preschool Education Aid C/O Budgeted in 2018-2019	<u>\$ -</u>

CAPITAL PROJECTS FUND

PERTH AMBOY PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

<u>Issue/Project Title</u>	<u>Modified</u> <u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended</u> <u>Balance,</u> <u>June 30, 2018</u>
		<u>Prior Years</u>	<u>Current Year</u>	
On-Behalf Payments				
School Development Authority - Educational Facilities				
Construction Aid	\$ 105,128,580	\$ 95,182,882	\$ 9,945,698	\$ -
Total Expenditures	<u>\$ 105,128,580</u>	<u>\$ 95,182,882</u>	<u>\$ 9,945,698</u>	<u>\$ -</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Revenues and Other Financing Sources

Revenues	
State Sources- On-Behalf SDA Contributions	\$ 9,945,698
Total Revenues and Other Financing Sources	9,945,698

Expenditures and Other Financing Uses

Expenditures	
Capital Outlay	
On-Behalf SDA Construction Services	9,945,698
Total Expenditures and Other Financing Uses	9,945,698

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-
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Fund Balance- Beginning of Year	-
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Fund Balance- End of Year	\$ -
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Reconciliation to GAAP Basis

Fund Balance, June 30, 2018 - Budgetary Basis	\$ -
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Fund Balance, June 30, 2018-GAAP Basis	\$ -
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ENTERPRISE FUND

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENTS OF NET POSITION
AS OF JUNE 30, 2018**

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**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

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

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY NET POSITION
AS OF JUNE 30, 2018**

	<u>Agency</u>		<u>Total</u>
	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS			
Cash	\$ 239,481	\$ 2,468,429	\$ 2,707,910
Total Assets	<u>\$ 239,481</u>	<u>\$ 2,468,429</u>	<u>\$ 2,707,910</u>
LIABILITIES			
Liabilities			
Accounts Payable		\$ 315,362	315,362
Accrued Salaries and Wages		1,212	1,212
Payroll Deductions and Withholdings		2,151,855	2,151,855
Due to Student Groups	<u>\$ 239,481</u>	<u>-</u>	<u>239,481</u>
Total Liabilities	<u>\$ 239,481</u>	<u>\$ 2,468,429</u>	<u>\$ 2,707,910</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-8

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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>Adjustment</u>	<u>Balance, June 30, 2018</u>
Elementary Schools					
Early Childhood Center	\$ 495			\$ (383)	\$ 112
Ceres School	2,946	\$ 13,566	\$ 11,858		4,654
James Flynn School	3,203	19,849	18,321		4,731
Pattern School	24,964	17,537	10,108		32,393
Dr. Herbert N. Richardson School	9,699	15,447	15,424		9,722
Wilentz School	8,000	20,709	23,666	-	5,043
Total Elementary Schools	<u>49,307</u>	<u>87,108</u>	<u>79,377</u>	<u>(383)</u>	<u>56,655</u>
Middle Schools					
William C. McGinnis School	18,597			2,433	21,030
Samuel E. Shull School	12,403	22,180	15,530	-	19,053
Total Middle Schools	<u>31,000</u>	<u>22,180</u>	<u>15,530</u>	<u>2,433</u>	<u>40,083</u>
Secondary Education					
Adult Education	19,113	1,268	1,048		19,333
9th Grade Academy Student Activity	1,010	712	928		794
Perth Amboy Adult School (PLA)	419			(20)	399
High School	113,343	155,306	146,432	-	122,217
Total Secondary Education	<u>133,885</u>	<u>157,286</u>	<u>148,408</u>	<u>(20)</u>	<u>142,743</u>
Total	<u>\$ 214,192</u>	<u>\$ 266,574</u>	<u>\$ 243,315</u>	<u>\$ 2,030</u>	<u>\$ 239,481</u>

**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>Adjustment</u>	<u>Balance, June 30, 2018</u>
Accounts Payable	\$ 313,640	\$ 1,722			\$ 315,362
Accrued Salaries and Wages		123,200,243	\$ 123,199,031		1,212
Summer Savings		1,587,962	1,587,962		
Payroll Deductions and Withholdings	230,436	63,612,316	61,690,897	-	2,151,855
Total	<u>\$ 544,076</u>	<u>\$ 188,402,243</u>	<u>\$ 186,477,890</u>	<u>\$ -</u>	<u>\$ 2,468,429</u>

LONG-TERM DEBT

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 LONG-TERM DEBT
 STATEMENT OF SERIAL BONDS PAYABLE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2017</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2018</u>
Refunding Bonds	4/22/2008	\$ 10,385,000	8/1/2018	\$ 1,065,000	5.00%				
			8/1/2019	1,145,000	5.00%	\$ 3,245,000		\$ 1,035,000	\$ 2,210,000
Refunding Bonds	10/18/2011	5,970,000	7/15/2018	1,035,000	3.000%	<u>2,055,000</u>	<u>\$ -</u>	<u>1,020,000</u>	<u>1,035,000</u>
						<u>\$ 5,300,000</u>	<u>\$ -</u>	<u>\$ 2,055,000</u>	<u>\$ 3,245,000</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER LEASE-PURCHASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

<u>Issue</u>	<u>Interest Rate</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2017</u>	<u>Issued Current Year</u>	<u>Paid</u>	<u>Balance, June 30, 2018</u>
2010 Refunding Certificates of Participation	2.25%-4.25%	\$ 20,380,000	\$ 1,150,000	\$ -	\$ 1,150,000	\$ -
			<u>\$ 1,150,000</u>	<u>\$ -</u>	<u>\$ 1,150,000</u>	<u>\$ -</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Final to Actual</u>
REVENUES:					
Local Sources:					
Property Tax Levy	\$ 1,454,210		\$ 1,454,210	\$ 1,454,210	
State Sources					
Debt Service Aid	<u>1,951,090</u>	<u>-</u>	<u>1,951,090</u>	<u>1,951,090</u>	<u>-</u>
Total Revenues	<u>3,405,300</u>	<u>-</u>	<u>3,405,300</u>	<u>3,405,300</u>	<u>-</u>
EXPENDITURES:					
Debt Service:					
Principal Payments - Lease Purchase Agreements	1,150,000		1,150,000	1,150,000	
Interest for Lease Purchase Agreements	20,125		20,125	20,125	
Interest on Bonds	180,175		180,175	180,175	
Redemption of Principal	<u>2,055,000</u>	<u>-</u>	<u>2,055,000</u>	<u>2,055,000</u>	<u>-</u>
Total Expenditures	<u>3,405,300</u>	<u>-</u>	<u>3,405,300</u>	<u>3,405,300</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>
Recapitulation of Fund Balance					
Restricted for Debt Service				<u>\$ 1</u>	

STATISTICAL SECTION

This part of the Perth Amboy Public School District'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.

PERTH AMBOY PUBLIC SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$ 109,814,529	\$ 114,534,631	\$ 116,332,462	\$ 117,858,272	\$ 126,875,569	\$ 132,769,140	\$ 144,047,718	\$ 158,558,241	\$ 178,522,771	\$ 155,870,866
Restricted	25,455,684	19,663,346	16,321,207	73,669,451	97,258,862	93,609,308	97,201,972	91,440,927	80,764,547	34,781,746
Unrestricted (Deficit)	(19,117,549)	(19,285,068)	(9,988,850)	(20,842,662)	(18,722,881)	9,719,270	(55,740,894)	(56,984,874)	(87,775,009)	(84,419,305)
Total governmental activities net position	\$ 116,152,664	\$ 114,912,909	\$ 122,664,819	\$ 170,685,061	\$ 205,411,550	\$ 236,097,718	\$ 185,508,796	\$ 193,014,294	\$ 171,512,309	\$ 106,233,307
Business-type activities										
Net investment in capital assets	\$ 140,093	\$ 119,563	\$ 176,172	\$ 368,745	\$ 333,832	\$ 290,906	\$ 274,441	\$ 220,702	\$ 166,963	\$ 519,948
Restricted										
Unrestricted (Deficit)	373,910	591,246	572,999	532,488	351,625	652,505	604,589	329,049	289,920	595,510
Total business-type activities net position	\$ 514,003	\$ 710,809	\$ 749,171	\$ 901,233	\$ 685,457	\$ 943,411	\$ 879,030	\$ 549,751	\$ 456,883	\$ 1,115,458
District-wide										
Net investment in capital assets	\$ 109,954,622	\$ 114,654,194	\$ 116,508,634	\$ 118,227,017	\$ 127,209,401	\$ 133,060,046	\$ 144,322,159	\$ 158,778,943	\$ 178,689,734	\$ 156,390,814
Restricted	25,455,684	19,663,346	16,321,207	73,669,451	97,258,862	93,609,308	97,201,972	91,440,927	80,764,547	34,781,746
Unrestricted (Deficit)	(18,743,639)	(18,693,822)	(9,415,851)	(20,310,174)	(18,371,256)	10,371,775	(55,136,305)	(56,655,825)	(87,485,089)	(83,823,795)
Total district net position	\$ 116,666,667	\$ 115,623,718	\$ 123,413,990	\$ 171,586,294	\$ 206,097,007	\$ 237,041,129	\$ 186,387,826	\$ 193,564,045	\$ 171,969,192	\$ 107,348,765

PERTH AMBOY PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities										
Instruction										
Regular	\$ 76,838,290	\$ 81,428,413	\$ 80,141,240	\$ 89,907,692	\$ 89,205,663	\$ 89,048,550	\$ 107,235,305	\$ 114,310,111	\$ 101,805,750	\$ 129,134,204
Special education	9,954,924	10,518,609	10,395,156	10,585,779	10,895,838	11,093,855	13,359,599	14,235,875	20,382,064	35,850,026
Other instruction	2,961,710	3,271,008	3,391,348	3,632,370	8,552,366	9,238,082	11,124,814	11,854,507	16,687,054	23,992,413
School Sponsored Co-Curricular										1,579,019
Vocational					29,351	56,513	68,055	72,519		
Support Services:										
Tuition	2,358,749	2,587,266	2,747,958	2,776,661	10,320,304	10,140,892	12,212,008	13,013,012	14,777,372	
Student & instruction related services					32,826,546	34,275,828	35,610,800	39,845,920		39,641,779
General administrative services	658,427	781,386	694,793	660,671	2,782,265	2,680,893	2,484,890	3,637,696	3,270,261	4,847,476
School Administrative services					7,165,684	6,808,269	8,430,377	8,954,004	6,744,078	10,387,043
Educational Media Services/School Library	7,725,115	6,587,572	4,850,056	5,695,645						41,773,658
Central and other support services	758,914	1,350,623	838,566	775,456	1,644,395	1,732,514	2,052,209	2,103,571	1,502,396	6,320,495
Plant operations and maintenance					17,636,584	18,314,939	21,902,232	22,859,224	23,085,382	28,150,111
Administrative Technology					2,394,618	2,480,049	2,874,938	3,520,280	3,793,344	
Pupil transportation	1,128,848	1,162,403	1,496,058	1,378,043	5,898,932	5,508,074	5,781,693	6,476,031	10,865,494	10,519,855
Special Schools	2,721,289	2,327,790	2,919,370	2,939,057	2,313,817	2,419,218	2,525,895	2,432,326	2,493,397	
Charter Schools	1,458,312	1,389,447	999,079	1,174,591	4,072,273	5,994,263	5,762,704	5,944,761	7,165,744	
Interest on long-term debt	196,235	160,945	125,817	92,182	1,064,954	1,430,946	728,347	571,572	10,890,206	574,146
Capital Outlay	474,220	474,745	475,800	494,258						
Total governmental activities expenses	<u>107,235,033</u>	<u>112,040,207</u>	<u>109,075,241</u>	<u>120,112,405</u>	<u>196,803,590</u>	<u>201,222,885</u>	<u>232,153,866</u>	<u>249,831,409</u>	<u>265,236,200</u>	<u>290,996,567</u>
Business-type activities:										
Food service	1,080,152	1,128,573	991,251	1,021,165	6,282,080	6,249,365	6,857,322	7,437,903	7,314,060	7,196,050
Total business-type activities expense	<u>1,080,152</u>	<u>1,128,573</u>	<u>991,251</u>	<u>1,021,165</u>	<u>6,282,080</u>	<u>6,249,365</u>	<u>6,857,322</u>	<u>7,437,903</u>	<u>7,314,060</u>	<u>7,196,050</u>
Total district expenses	<u>\$ 108,315,185</u>	<u>\$ 113,168,780</u>	<u>\$ 110,066,492</u>	<u>\$ 121,133,570</u>	<u>\$ 203,085,670</u>	<u>\$ 207,472,250</u>	<u>\$ 239,011,188</u>	<u>\$ 257,269,312</u>	<u>\$ 272,550,260</u>	<u>\$ 298,192,617</u>
Program Revenues										
Governmental activities:										
Operating grants and contributions	\$ 5,504,799	\$ 6,372,429	\$ 4,795,586	\$ 4,885,775	\$ 29,787,123	\$ 29,122,924	\$ 26,772,443	\$ 28,647,862	\$ 28,810,033	\$ 108,223,849
Capital grants and contributions					60,249	27,798	104,178	645,941		9,962,303
Total governmental activities program revenues	<u>5,504,799</u>	<u>6,372,429</u>	<u>4,795,586</u>	<u>4,885,775</u>	<u>29,847,372</u>	<u>29,150,722</u>	<u>26,876,621</u>	<u>29,293,803</u>	<u>28,810,033</u>	<u>118,186,152</u>
Business-type activities:										
Charges for services										
Food service	276,743	283,936	197,230	191,375	627,403	553,127	761,299	773,152	603,128	558,334
Operating grants and contributions	687,543	732,979	663,005	706,206	5,438,901	5,954,192	6,031,642	6,335,472	6,618,064	6,883,918
Total business type activities program revenues	<u>964,286</u>	<u>1,016,915</u>	<u>860,235</u>	<u>897,581</u>	<u>6,066,304</u>	<u>6,507,319</u>	<u>6,792,941</u>	<u>7,108,624</u>	<u>7,221,192</u>	<u>7,442,252</u>
Total district program revenues	<u>\$ 6,469,085</u>	<u>\$ 7,389,344</u>	<u>\$ 5,655,821</u>	<u>\$ 5,783,356</u>	<u>\$ 35,913,676</u>	<u>\$ 35,658,041</u>	<u>\$ 33,669,562</u>	<u>\$ 36,402,427</u>	<u>\$ 36,031,225</u>	<u>\$ 125,628,404</u>
Net (Expense)/Revenue										
Governmental activities	\$ (101,730,234)	\$ (105,667,778)	\$ (104,279,655)	\$ (115,226,630)	\$ (166,956,218)	\$ (172,072,163)	\$ (205,277,245)	\$ (220,537,606)	\$ (236,426,167)	\$ (172,810,415)
Business-type activities	(115,866)	(111,658)	(131,016)	(123,584)	(215,776)	257,954	(64,381)	(329,279)	(92,868)	246,202
Total district-wide net expense	<u>\$ (101,846,100)</u>	<u>\$ (105,779,436)</u>	<u>\$ (104,410,671)</u>	<u>\$ (115,350,214)</u>	<u>\$ (167,171,994)</u>	<u>\$ (171,814,209)</u>	<u>\$ (205,341,626)</u>	<u>\$ (220,866,885)</u>	<u>\$ (236,519,035)</u>	<u>\$ (172,564,213)</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS
 (Unaudited)
 (accrual basis of accounting)

	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	\$ 4,241,088	\$ 4,286,910	\$ 4,352,386	\$ 4,384,433	\$ 21,762,553	\$ 21,762,553	\$ 21,762,734	\$ 21,762,552	\$ 22,762,553	\$ 25,259,486
Taxes levied for debt service	379,616	369,120	450,609	430,654	2,249,546	2,138,483	2,312,316	2,223,847	2,231,145	1,454,210
Grants and Contributions	30,545,264	32,301,985	31,283,072	33,222,155	175,698,719	175,926,685	193,739,386	201,519,960	186,058,251	152,881,328
Miscellaneous income	369,442	1,723	449,411	401,271	1,971,889	1,139,969	1,601,461	2,536,745	1,047,962	1,038,738
Special Item					1,790,641					
Cancellation of Accounts Payable									3,824,271	
Total governmental activities	<u>35,535,410</u>	<u>36,959,738</u>	<u>36,535,478</u>	<u>38,438,513</u>	<u>201,682,707</u>	<u>202,758,331</u>	<u>219,415,897</u>	<u>228,043,104</u>	<u>215,924,182</u>	<u>180,633,762</u>
Business-type activities										5,649
Total business-type activities										5,649
Total district-wide	<u>\$ 35,535,410</u>	<u>\$ 36,959,738</u>	<u>\$ 36,535,478</u>	<u>\$ 38,438,513</u>	<u>\$ 201,682,707</u>	<u>\$ 202,758,331</u>	<u>\$ 219,415,897</u>	<u>\$ 228,043,104</u>	<u>\$ 215,924,182</u>	<u>\$ 180,639,411</u>
Change in Net Position										
Governmental activities	\$ (66,194,824)	\$ (68,708,040)	\$ (67,744,177)	\$ (76,788,117)	\$ 34,726,489	\$ 30,686,168	\$ 14,138,652	\$ 7,505,498	\$ (20,501,985)	\$ 7,823,347
Business-type activities	(115,866)	(111,658)	(131,016)	(123,584)	(215,776)	257,954	(64,381)	(329,279)	(92,868)	251,851
Total district	<u>\$ (66,310,690)</u>	<u>\$ (68,819,698)</u>	<u>\$ (67,875,193)</u>	<u>\$ (76,911,701)</u>	<u>\$ 34,510,713</u>	<u>\$ 30,944,122</u>	<u>\$ 14,074,271</u>	<u>\$ 7,176,219</u>	<u>\$ (20,594,853)</u>	<u>\$ 8,075,198</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Restricted	\$ 25,242,507	\$ 19,453,991	\$ 16,003,807	\$ 73,211,766	\$ 96,901,051	\$ 93,252,707	\$ 96,833,950	\$ 91,027,913	\$ 80,297,614	\$ 54,407,047
Committed										11,844,389
Assigned						20,045,171	27,204,461	35,563,616	24,825,421	37,891,163
Unassigned	(8,377,477)	(9,238,463)	(1,658,591)	(12,026,725)	(9,204,476)					(11,979,803)
Total general fund	<u>\$ 16,865,030</u>	<u>\$ 10,215,528</u>	<u>\$ 14,345,216</u>	<u>\$ 61,185,041</u>	<u>\$ 87,696,575</u>	<u>\$ 113,297,878</u>	<u>\$ 124,038,411</u>	<u>\$ 126,591,529</u>	<u>\$ 105,123,035</u>	<u>\$ 92,162,796</u>
All Other Governmental Funds										
Restricted	\$ 310,212	\$ 282,528	\$ 1,140	\$ 109,892	\$ 108,752	\$ 14,200	\$ 14,200	\$ 1		\$ 1
Nonspendable			316,260	347,793	357,811	356,601	368,022	413,014	466,932	466,932
Unassigned, Reported i:										
Capital Projects Fund	(40,836)	(6,877)								
Debt Service Fund	89,070	493,219								1
Special Revenue Fund	(1,648,762)	(1,824,125)	(2,032,835)	(2,021,704)	(2,041,184)	(2,031,444)	(2,031,444)	(2,080,143)	(2,038,401)	
Total all other governmental funds	<u>\$ (1,290,316)</u>	<u>\$ (1,055,255)</u>	<u>\$ (1,715,435)</u>	<u>\$ (1,564,019)</u>	<u>\$ (1,574,621)</u>	<u>\$ (1,660,643)</u>	<u>\$ (1,649,222)</u>	<u>\$ (1,667,128)</u>	<u>\$ (1,571,468)</u>	<u>\$ 466,933</u>

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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Property Tax levy	\$ 20,066,646	\$ 21,563,901	\$ 23,585,709	\$ 24,031,383	\$ 24,012,099	\$ 23,901,036	\$ 24,075,050	\$ 23,986,399	\$ 24,993,698	\$ 26,713,696
Interest Earnings	696,508	267,499	157,802	96,774	34,364	32,553	37,237	68,881		306,835
Miscellaneous	664,679	1,915,864	1,017,895	1,864,104	2,012,653	1,125,151	1,669,314	2,514,114	1,085,628	731,903
State Sources	149,650,682	123,201,768	152,333,453	189,146,231	197,131,405	196,383,240	197,593,131	202,405,395	205,548,619	220,458,052
Federal Sources	8,289,208	32,263,028	10,564,399	14,403,942	8,319,311	8,676,432	7,799,050	7,873,692	9,281,999	9,773,080
Total revenue	179,367,723	179,212,060	187,659,258	229,542,434	231,509,832	230,118,412	231,173,782	236,848,481	240,909,944	257,983,566
Expenditures										
Instruction										
Regular Instruction	47,028,995	50,414,066	48,686,233	50,421,606	53,567,753	54,146,039	55,742,349	58,728,377	64,257,856	107,686,464
Special Education Instruction	9,954,924	10,519,609	10,395,156	10,585,779	10,895,838	11,093,855	11,538,903	12,217,769	12,864,772	30,302,004
Other Special Instruction	7,163,887	7,463,986	7,033,663	7,296,198	7,671,302	8,267,090	9,111,468	9,225,289		18,910,021
Vocational Education	82,853	90,427	87,208	120,763	29,351	56,513	66,414	66,027		
Other Instruction	890,844	929,082	798,624	830,270	881,064	970,992	903,645	914,854	10,532,551	1,363,892
Support Services:										
Tuition	7,945,060	8,750,380	9,708,247	10,461,514	10,320,304	10,140,892	11,220,681	9,448,307	10,897,475	
Attendance and Social Work Services									930,942	
Health Services									1,774,804	
Student and Inst. Related Services	24,701,470	26,819,291	27,578,605	25,183,655	27,346,199	28,653,290	27,282,005	29,678,224	28,099,959	33,497,352
General Administrative Services	1,946,544	1,931,130	1,964,479	2,030,153	2,183,440	2,099,112	1,757,661	2,516,559	2,411,633	3,839,627
School Administrative Services	4,214,057	4,345,711	3,954,118	3,996,712	4,502,337	4,342,428	4,538,684	4,588,644	4,973,376	8,224,089
Central Services	1,022,068	1,007,731	1,016,385	1,038,422	1,071,645	1,145,728	1,146,869	1,147,411	1,107,932	5,418,250
Administration Information Technology	1,286,253	1,231,157	1,121,069	1,582,662	1,649,151	1,718,343	1,727,186	2,129,501	2,797,376	
Plant Operations and Maintenance	12,247,157	12,377,632	12,616,214	11,671,806	13,132,188	13,959,440	14,610,115	15,317,143	17,024,161	20,706,113
Pupil Transportation	5,003,283	4,915,375	4,629,773	4,728,915	5,096,364	4,822,867	4,790,079	5,154,528	8,012,686	9,627,042
Unallocated Benefits									43,837,447	
On-Behalf - Pension									20,011,256	
Employee Benefits	40,591,184	42,476,355	44,723,287	41,242,754	44,406,673	44,724,822	49,490,847	53,237,217		
Special Schools	1,583,858	1,927,394	2,019,970	2,077,171	2,313,817	2,419,218	2,525,895	2,432,326	2,493,397	
Charter School	37,266	29,967	1,097,752	2,687,369	4,072,273	5,994,263	5,762,704	5,944,761		
Capital Outlay	12,038,997	4,928,290	1,352,634	1,202,491	10,606,173	6,590,767	12,966,245	16,325,532	21,689,045	25,925,250
Debt Service:										
Principal	3,530,000	3,755,000	3,915,000	4,080,000	4,320,000	4,420,000	4,540,000	4,700,000	4,850,000	3,205,000
Interest and Other Charges	1,884,593	2,116,343	1,397,900	1,220,243	963,275	828,113	700,088	540,800	374,638	200,300
Total Expenditures	183,153,293	186,028,926	184,096,317	182,458,483	205,029,147	206,393,772	220,421,838	234,313,269	258,941,306	268,905,404
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,785,570)	(6,816,866)	3,562,941	47,083,951	26,480,685	23,724,640	10,751,944	2,535,212	(18,031,362)	(10,921,838)
Other Financing sources (uses)										
Transfer to Charter Schools									(7,165,744)	
Unrealized Gains (Losses) on Investment	144,571	(161,120)	(93,433)							
Proceeds from Refunding		21,020,860		5,918,411						
Payment to Escrow Agent		(20,457,315)		(5,827,364)						
Insurance Recovery Related to Other Costs of Super Cancellation of Accounts Payable					20,247				3,824,271	
Transfers in	2,222,987	1,848,462	1,898,536	1,846,777	1,939,558	1,840,616	2,391,410	2,789,340	2,806,649	2,522,657
Transfers out	(2,222,987)	(1,848,462)	(1,898,536)	(2,030,534)	(1,939,558)	(1,840,616)	(2,391,410)	(2,789,340)	(2,806,649)	(2,522,657)
Total other financing sources (uses)	144,571	402,425	(93,433)	(92,710)	20,247	-	-	-	(3,341,473)	-
Net change in fund balances	\$ (3,640,999)	\$ (6,414,441)	\$ 3,469,508	\$ 46,991,241	\$ 26,500,932	\$ 23,724,640	\$ 10,751,944	\$ 2,535,212	\$ (21,372,835)	\$ (10,921,838)
Debt service as a percentage of noncapital expenditures	3.16%	3.24%	2.91%	2.92%	2.72%	2.63%	2.53%	2.40%	2.20%	1.40%

* Noncapital expenditures are total expenditures less capital outlay.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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>
Interest Income	\$ 696,508	\$ 267,499	\$ 157,802	\$ 96,774	\$ 34,364	\$ 32,553	\$ 37,237	\$ 68,881		\$ 306,835
Tuition	97,772	130,140		41,153	63,437			52,411		
Prior Year Refunds	281,974	295,888	332,838	302,248	300,854	224,650	482,385	440,768		
Cancellation of Prior Year Liabilities		529,287	89,744	507,102			664,545	921,557	\$ 3,824,271	\$ 135,366
Insurance Refunds		30,669		411,779	1,353,923	570,705	248	5,736		
E-Rate										123,312
Miscellaneous	<u>270,460</u>	<u>529,833</u>	<u>421,291</u>	<u>477,497</u>	<u>189,046</u>	<u>293,271</u>	<u>405,431</u>	<u>1,002,205</u>	<u>994,044</u>	<u>473,225</u>
	<u>\$ 1,346,714</u>	<u>\$ 1,783,316</u>	<u>\$ 1,001,675</u>	<u>\$ 1,836,553</u>	<u>\$ 1,941,624</u>	<u>\$ 1,121,179</u>	<u>\$ 1,589,846</u>	<u>\$ 2,491,558</u>	<u>\$ 4,818,315</u>	<u>\$ 1,038,738</u>

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 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			Information not available							
2010			Information not available			3,623,458,400	16,616,051	3,640,074,451	4,018,115,198	0.621
2011			Information not available							
2012			Information not available			3,417,750,500	16,089,661	3,433,840,161	3,733,773,818	0.699
2013			Information not available			3,235,377,500	16,077,715	3,251,455,215	3,154,144,153	0.737
2014			Information not available			3,166,145,200	14,886,987	3,181,032,187	3,204,095,668	0.755
2015			Information not available			3,203,038,200	4,442,630	3,207,480,830	3,206,794,805	0.749
2016			Information not available			3,233,599,500	4,723,649	3,238,323,149	3,074,156,692	0.757
2017	104,180,600	1,833,383,200	450,502,400	576,347,500	270,367,600	3,234,781,300	4,867,045	3,239,648,345	3,264,101,142	0.798
2018	124,002,200	1,846,249,100	441,588,900	544,736,700	281,237,900	3,237,814,800	4,938,536	3,242,753,336	3,178,439,442	0.816

Source: County Abstract of Ratables

^a Tax rates are per \$100

PERTH AMBOY PUBLIC SCHOOL DISTRICT
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
	Perth Amboy Local School District	City of Perth Amboy	Perth Amboy Municipal Library	County of Middlesex		
2009	\$ 0.576	\$ 1.475		\$ 0.322	\$ 2.373	
2010	0.621	1.516		0.323	2.460	
2011	0.680	1.631		0.344	2.655	
2012	0.699	1.593	\$ 0.036	0.352	2.680	
2013	0.737	1.705	0.033	0.362	2.837	
2014	0.755	1.732	0.033	0.398	2.918	
2015	0.749	1.725	0.032	0.394	2.900	
2016	0.757	1.727	0.030	0.366	2.880	
2017	0.798	1.725	0.033	0.401	2.957	
2018	0.816	1.726	0.032	0.389	2.963	

Note: Effective for calendar year 2012, the Municipal Library's tax rate was segregated from the Municipality's tax rate.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO
(Unaudited)**

Taxpayer	2018		2009	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Buckeye Perth Amboy	\$ 193,207,600	5.96%		
Harbortown Terrace, LLC	124,531,400	3.84%		
ProLogics, LP	96,000,000	2.96%	Information	
Kinder Morgan Liquids Terminal	80,099,800	2.47%		
Bridge Perth Amboy	39,898,800	1.23%	not	
Paramount Properties	35,415,700	1.09%		
NCP/Gerdau	25,240,900	0.78%	Available	
Store SPE/Preferred Freezer	23,752,600	0.73%		
Matrix Perth Amboy Industrial	23,560,000	0.73%		
Tower Green Village 2015, LLC	19,000,000	0.59%		
	<u>\$ 660,706,800</u>	<u>20.37%</u>	<u>\$ -</u>	<u>0.00%</u>

Source: Municipal Tax Assessor

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Local School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2009	\$ 20,066,646	\$ 20,066,646	100.00%	
2010	21,563,901	21,563,901	100.00%	
2011	23,585,709	23,585,709	100.00%	
2012	24,031,383	24,031,383	100.00%	
2013	24,012,099	24,012,099	100.00%	
2014	23,901,036	23,901,036	100.00%	
2015	24,075,000	24,075,000	100.00%	
2016	23,986,399	23,986,399	100.00%	
2017	24,993,698	24,993,698	100.00%	
2018	26,713,696	26,713,696	100.00%	

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Governmental Activities</u>					
<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Certificates of Participation</u>	<u>Total District</u>	<u>Population</u>	<u>Per Capita</u>
2009	\$ 18,760,000	\$ 21,210,000	\$ 39,970,000	48,911	\$ 817
2010	17,290,000	19,580,000	36,870,000	50,945	724
2011	15,765,000	17,190,000	32,955,000	51,287	643
2012	14,565,000	14,715,000	29,280,000	51,900	564
2013	12,810,000	12,150,000	24,960,000	52,250	478
2014	11,015,000	9,525,000	20,540,000	52,546	391
2015	9,165,000	6,835,000	16,000,000	52,518	305
2016	7,255,000	4,045,000	11,300,000	52,690	214
2017	5,300,000	1,150,000	6,450,000	52,823	122
2018	3,245,000		3,245,000	52,823 (E)	61

Source: District records

(E) - Estimate

PERTH AMBOY PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2009	\$ 39,970,000		\$ 39,970,000	N/A	\$ 817
2010	36,870,000		36,870,000	1.01%	724
2011	32,955,000		32,955,000	N/A	643
2012	29,280,000		29,280,000	0.85%	564
2013	24,960,000		24,960,000	0.77%	478
2014	20,540,000		20,540,000	0.65%	391
2015	16,000,000		16,000,000	0.50%	305
2016	11,300,000		11,300,000	0.35%	214
2017	6,450,000		6,450,000	0.20%	122
2018	3,245,000		3,245,000	0.10%	61

Source: District records

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
FOR THE YEAR ENDED DECEMBER 31, 2017
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Total Debt</u>
MUNICIPAL DEBT:			
Perth Amboy Public School District	\$ 3,245,000	\$ 3,245,000	
City of Perth Amboy (1)	<u>187,263,666</u>	<u>86,052,876</u>	<u>\$ 101,210,790</u>
	<u>\$ 190,508,666</u>	<u>\$ 89,297,876</u>	<u>101,210,790</u>
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY			
Middlesex County:			
County of Middlesex(A)			18,183,126
Middlesex County Utilities Authority (B)			<u>5,971,792</u>
			<u>24,154,918</u>
 Total Direct and Overlapping Outstanding Debt			 <u>\$ 125,365,708</u>

SOURCE:

- (1) City of Perth Amboy 2017 Annual Debt Statement
- County of Middlesex 2017 Annual Debt Statement
- Middlesex County Utilities Authority Annual Audit Report

(A) The debt for this entity was apportioned to City of Perth Amboy by dividing the municipality's 2017 equalized value by the total 2017 equalized value for the County of Middlesex.
 (B) Overlapping debt was computed based upon municipal flow to the Authority.

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST NINE FISCAL YEARS
 (Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2018

	Equalized valuation basis
	2015 \$ 2,984,011,738
	2016 3,202,852,120
	2017 <u>3,114,559,311</u>
	<u>\$ 9,301,423,169</u>
Average equalized valuation of taxable property	\$ 3,100,474,390
Debt limit (4 % of average equalization value)	124,018,976
Total Net Debt Applicable to Limit	<u>3,245,000</u>
Legal debt margin	<u>\$ 120,773,976</u>

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt limit	\$ 127,837,742	\$ 140,589,974	\$ 144,316,059	\$ 142,520,821	\$ 135,603,406	\$ 128,671,323	\$ 128,159,338	\$ 123,948,131	\$ 124,018,976
Total net debt applicable to limit	<u>39,970,000</u>	<u>36,870,000</u>	<u>32,955,000</u>	<u>29,280,000</u>	<u>24,960,000</u>	<u>20,540,000</u>	<u>16,000,000</u>	<u>11,300,000</u>	<u>3,245,000</u>
Legal debt margin	<u>\$ 87,867,742</u>	<u>\$ 103,719,974</u>	<u>\$ 111,361,059</u>	<u>\$ 113,240,821</u>	<u>\$ 110,643,406</u>	<u>\$ 108,131,323</u>	<u>\$ 112,159,338</u>	<u>\$ 112,648,131</u>	<u>\$ 120,773,976</u>
Total net debt applicable to the limit as a percentage of debt limit	31.27%	26.23%	22.84%	20.54%	18.41%	15.96%	12.48%	9.12%	2.62%

Source: Annual Debt Statements

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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>
2009	48,911	\$ 46,018	8.9%
2010	50,945	47,250	14.2%
2011	51,287	50,553	14.4%
2012	51,900	52,949	14.5%
2013	52,250	50,777	15.1%
2014	52,546	52,071	10.0%
2015	52,518	54,097	8.4%
2016	52,690	55,980	6.9%
2017	52,823	Not Available	7.2%
2018	52,823 (E)	Not Available	Not Available

Source: New Jersey State Department of Education

(E) - Estimate

N/A - Not Applicable

PERTH AMBOY PUBLIC SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
(Unaudited)

Employer	2018		2009	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment

INFORMATION IS NOT AVAILABLE

PERTH AMBOY PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Instruction										
Regular Instruction	622	622	706	718	742	769	756	799	799	
Special Education Instruction	111	103	105	96	96	107	108	110	110	
Other Special Instruction	30	32	33	35	33	34	40	43	43	
Other Instruction	63	82	62	67	72	73	68	73	73	
Support Services										
Student and Instruction Related Services	263	258	240	247	246	247	251	259	259	
General Administrative Services	4	4	3	4	4	3	4	5	5	
School Administrative Services	27	26	23	27	27	28	29	31	31	
Other Administrative Services	16	18	15	19	30	35	39	36	36	
Central Services	2	2	2	2	4	4	4	6	6	
Administrative Information Technology	11	12	10	17	18	16	18	19	19	
Plant Operations and Maintenance	86	88	79	90	98	95	98	109	109	
Pupil Transportation	27	27	26	21	18	21	23	29	29	
Other Support Services	27	27	36	114	120	129	129	139	139	
Special Schools	19	19	19							
Food Service	68	69	68	74	72	70	71	76	76	
Total	<u>1,376</u>	<u>1,389</u>	<u>1,427</u>	<u>1,531</u>	<u>1,580</u>	<u>1,631</u>	<u>1,638</u>	<u>1,734</u>	<u>1,734</u>	<u>-</u>

Source: District Personnel Records

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teacher/Pupil Ratio					Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Pre-kindergarten	Elementary	Middle School	Senior High School				
2009	9,708	\$ 165,699,703	\$ 17,068	0.31%	949					10,435	9,775	9.24%	93.68%
2010	10,464	176,353,031	16,853	-1.26%	958					9,989	9,423	-4.27%	94.33%
2011	10,530	175,229,293	16,641	-1.26%	906					10,165	9,592	1.76%	94.36%
2012	10,688	175,955,749	16,463	-1.07%	916					10,247	9,744	0.81%	95.09%
2013	10,707	189,139,699	17,665	7.30%	943					9,936	9,504	-3.04%	95.65%
2014	10,990	194,554,892	17,703	0.21%	973					9,974	9,512	0.38%	95.37%
2015	11,403	202,215,505	17,734	0.17%	972					9,958	9,658	-0.16%	96.99%
2016	12,232	212,746,937	17,393	-1.92%	980					11,164	10,362	12.11%	92.82%
2017	10,601	204,843,772	19,323	11.10%	980					11,164	10,362	0.00%	92.82%
2018		239,574,854	#DIV/0!	#DIV/0!								-100.00%	#DIV/0!

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.

PERTH AMBOY PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
District Building										
St. Mary's										
Square Feet	44,920				44,920	44,920	44,920	44,920	44,920	44,920
Capacity (Students)	300				300	400	400	400	400	400
Enrollment	225				300	300	340	340	340	
Paterson School										
Square Feet	22,130	22,130	22,130	22,130	22,130	22,130	22,130	22,130	22,130	22,130
Capacity (Students)	245	245	245	245	245	245	245	245	245	245
Enrollment	43	43	43	133	100	100	156	200	200	
Anthony V. Ceres School										
Square Feet	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Capacity (Students)	610	610	610	610	610	610	610	610	610	610
Enrollment	586	586	622	688	676	720	790	710	710	
Public School No. 7										
Square Feet	19,050	19,050	19,050	19,050	19,050	19,050	19,050	19,050	19,050	19,050
Capacity (Students)	200	160	160	160	160	160	160	160	160	160
Enrollment	177	40	45	40	82	170	160	160	160	
Dr. Herbert N. Richardson School										
Square Feet	115,000	115,000	115,000	115,000	115,000	115,000	115,000	150,000	150,000	150,000
Capacity (Students)	700	700	700	700	700	700	700	700	700	700
Enrollment	617	658	682	895	785	760	766	858	858	
James J. Flavin School										
Square Feet	88,000	88,000	88,000	88,000	88,000	88,000	88,000	88,000	88,000	88,000
Capacity (Students)	760	760	760	760	760	760	760	760	760	760
Enrollment	782	842	837	922	900	1,015	878	896	896	
E.J. Patten School										
Square Feet	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Capacity (Students)	800	800	800	800	800	800	800	800	800	800
Enrollment	832	830	881	941	884	1,020	970	959	959	
Robert N. Wilentz School										
Square Feet	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500	80,500
Capacity (Students)	800	800	800	800	800	800	800	800	800	800
Enrollment	780	847	861	932	917	959	892	919	919	
Ignacio Cruz Early Childhood Center										
Square Feet	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000
Capacity (Students)	750	750	750	750	750	750	750	750	750	750
Enrollment	712	703	705	622	659	760	729	737	737	
Our Lady of Hungary										
Square Feet	18,124	18,124	18,124	18,124	18,124	18,124	18,124	18,124	18,124	18,124
Capacity (Students)	130	130	130	130	130	130	130	130	130	130
Enrollment	105	105	105	105	105	105	105	160	160	
Perth Amboy Early Childhood Education										
Square Feet				3,000	3,000					
Capacity (Students)				60	60					
Enrollment				57	60					
Middle School										
William C. McGinnis School										
Square Feet	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Capacity (Students)	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
Enrollment	1,297	1,402	1,385	1,336	1,239	1,205	1,230	1,323	1,323	
Samuel E. Shull School										
Square Feet	137,653	137,653	137,653	137,653	137,653	137,653	137,653	137,653	137,653	137,653
Capacity (Students)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	1,349	1,396	1,393	1,258	1,410	1,466	1,356	1,461	1,461	
High School										
Perth Amboy High School										
Square Feet	255,262	255,262	255,262	255,262	255,262	255,262	255,262	255,262	255,262	255,262
Capacity (Students)	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Enrollment	2,203	2,238	2,455	2,341	2,185	1,748	1,387	1,494	1,494	
Early Childhood Center										
Square Feet		57,000	57,000	57,000	57,000	57,000	57,000	57,000	57,000	57,000
Capacity (Students)										
Enrollment										
Other										
Central Administration/Adult High School										
Square Feet	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000

Number of Schools at June 30, 2018

- Preschool -
- Elementary -
- Middle School -
- Senior High School -
- Other -

Source: District Records, Department of Buildings and Grounds

PERTH AMBOY PUBLIC SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)

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

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		<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>
*School Facilities	<u>Project # (s)</u>										
Edmund Hmieleski	N/A	\$ 40,292	\$ 9,799	\$ 21,959	\$ 21,540	\$ 21,921	\$ 14,756	\$ 19,253	\$ 93,961	\$ 101,629	
Paterson School	N/A	66,810	46,097	58,521	72,919	83,471	107,002	133,660	150,178	162,434	
Anthony V. Ceres School	N/A	37,304	32,444	64,318	31,639	32,045	98,265	50,722	117,221	126,787	
Public School No. 7	N/A	30,921	19,183	50,501	75,974	27,068	46,289	43,894	105,978	114,627	
Dr. Herbert N. Richardson School	N/A	48,366	35,511	78,047	43,940	44,658	45,523	43,202	95,552	103,350	
James J. Flynn School	N/A	36,892	27,221	65,037	93,629	32,542	56,600	48,541	108,724	117,597	
E.J. Patten School	N/A	58,960	47,731	78,418	78,106	54,930	71,853	71,437	138,568	149,876	
Robert N. Wilentz School	N/A	86,556	90,712	104,602	71,358	80,326	92,272	88,898	161,368	174,537	
William C. McGinnis School	N/A	248,694	212,125	81,158	146,505	125,779	144,612	185,129	178,948	193,552	
Samuel E. Shull School	N/A	57,145	79,710	85,321	114,089	51,220	63,436	194,030	166,334	179,909	
Perth Amboy High School	N/A	323,506	324,709	245,065	204,402	257,933	501,442	524,677	496,776	537,318	
Ignacio Cruz Early Childhood Learning Cen	N/A	27,652	33,412	58,421	60,503	182,617	99,644	132,263	93,961	101,629	
Adult High School	N/A	60,494	82,661	96,024	116,503	260,085	93,615	89,469	145,820	157,720	-
Grand Total School Facilities		<u>\$ 1,123,592</u>	<u>\$ 1,041,315</u>	<u>\$ 1,087,392</u>	<u>\$ 1,131,107</u>	<u>\$ 1,254,595</u>	<u>\$ 1,435,309</u>	<u>\$ 1,625,175</u>	<u>\$ 2,053,389</u>	<u>\$ 2,220,965</u>	<u>\$ -</u>

Source: District Records

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2018
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (NJSBAIG)		
Property and Contents	\$ 304,856,700	\$ 5,000
Electronic Data Processing	5,732,000	5,000
Boiler and Machinery	100,000,000	5,000
Crime	500,000	1,000
Comprehensive General Liability	11,000,000	
Bodily Injury from Products and Completed Operations	11,000,000	
Sexual Abuse	11,000,000	
Comprehensive Automobile Liability	11,000,000	1,000
Excess Liability - Fireman's Fund Insurances Company	50,000,000	
School Leaders Errors and Omissions Liability NJSBAIG	11,000,000	30,000
Workers Compensation - NJSBAIG		
Employers Liability Limits	2,000,000	
Student Accident Insurances - Bollinger Insurances		
Maximum Benefit Blanket Athletic Coverage Include Football	1,000,000	
Public Official Bond - NJSBAIG	150,000	
Board Secretary	1,000,000	
Treasurer of School Monies	1,000,000	10,000
AIG - Pollution Legal Liability		

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

ELIZABETH A. SHICK, CPA, RMA, PSA
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DEBORAH K. LERCH, CPA, PSA
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DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. LEIDIG, CPA, PSA
ROBERT LERCH, 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
Perth Amboy Public School District
Perth Amboy, 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 Perth Amboy Public School District as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Perth Amboy Public School District's basic financial statements and have issued our report thereon dated February 26, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Perth Amboy Public School District'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 Perth Amboy Public School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Perth Amboy Public School District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses or significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2018-001 to 2018-003 and 2018-005 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2018-004 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Perth Amboy Public School District'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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and which are described in the accompanying schedule of findings and questioned costs as items 2018-004 and 2018-005.


We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Perth Amboy Public School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated February 26, 2019.


Perth Amboy Public School District's Responses to Findings

The Perth Amboy Public School District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Perth Amboy Public School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 Perth Amboy Public School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Perth Amboy Public School District'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



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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DEBRA GOLLE, CPA
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SHERYL M. LEIDIG, CPA, PSA
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CHRIS SOHN, CPA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND 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**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Perth Amboy Public School District
Perth Amboy, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Perth Amboy Public School District'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 Perth Amboy Public School District's major federal and state programs for the fiscal year ended June 30, 2018. The Perth Amboy Public School District'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 Perth Amboy Public School District'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 Perth Amboy Public School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as items 2018-006 to 2018-010. Our opinion on each major federal and state program is not modified with respect to these matters.

The Perth Amboy Public School District's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Perth Amboy Public School District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the Perth Amboy Public School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Perth Amboy Public School District'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 Perth Amboy Public School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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.

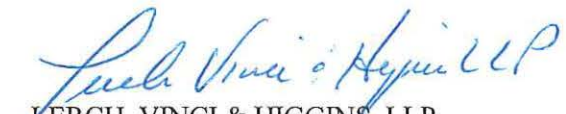
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2018-009 that we consider to be a material weakness. We identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2018-007 that we consider to be a significant deficiency.

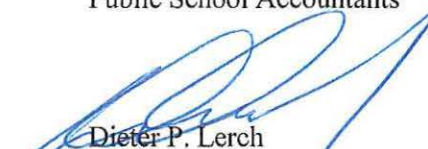
The Perth Amboy Public School District's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Perth Amboy Public School District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedules 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 Perth Amboy Public School District 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 February 26, 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
February 26, 2019

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period	Balance at June 30, 2017			Carryover/ (Walkover) Amount A/R	Carryover/ (Walkover) Amount Def. Rev.	Cash Received	Budgetary Expenditures	Cancelled Encumbrances/ Accounts Pay.	Adjustments Acct. Rec.	Adjustments Def. Revenue	Repayment of Prior Years' Balances	Balance at June 30, 2018			Memo GAAP Receivable
						(Account Receivable)	Unearned Revenue	Due to Grantor									(Account Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Agriculture																				
Passed-through State Department of Education																				
Enterprise Fund																				
National School Lunch Program	10.555		N/A																	
Cash Assistance		181NJ304N1099		\$ 4,155,915	7/1/17-6/30/18					\$ 3,732,247	\$ 4,155,915						\$ (423,668)			\$ (423,668)
Cash Assistance		171NJ304N1099		3,931,583	7/1/16-6/30/17	\$ (356,965)				356,965										
Non Cash Assistance (Food Distribution)		181NJ304N1099		442,375	7/1/17-6/30/18					442,375	441,654						\$ 721			
Non Cash Assistance (Food Distribution)		171NJ304N1099		347,693	7/1/16-6/30/17															
National School Breakfast	10.553	181NJ304N1099	N/A	2,022,151	7/1/17-6/30/18					1,815,415	2,022,151						(206,736)			(206,736)
National School Breakfast	10.553	171NJ304N1099	N/A	1,976,810	7/1/16-6/30/17	(185,628)				185,628										
After School Snack Program	10.555	181NJ304N1099	N/A	128,388	7/1/17-6/30/18					117,159	128,388						(11,229)			(11,229)
After School Snack Program	10.555	171NJ304N1099	N/A	112,153	7/1/16-6/30/17	(7,507)				7,507										
Total Child Nutrition Program Cluster						(550,100)				6,657,296	6,748,108						(641,633)	721		(641,633)
Fresh Fruits and Vegetables Program	10.582	181NJ304L1603	N/A	61,241	7/1/17-6/30/18					60,548	61,241						(693)			(693)
Fresh Fruits and Vegetables Program	10.582	171NJ304L1603	N/A	40,865	7/1/16-6/30/17	(694)				694										
Total U.S. Department of Agriculture/Child Nutrition Cluster						(550,794)				6,718,538	6,809,349						(642,326)	721		(642,326)
U.S. Department of Education																				
Passed-through State Department of Education																				
Special Revenue Fund																				
I.D.E.A. Part B, Basic Regular	84.027	H027A180100	IDEA-1700-18	2,684,775	7/1/17-6/30/18			\$ (415,974)	\$ 415,974		2,990,509						(3,100,749)	110,240		(2,990,509)
I.D.E.A. Part B, Basic Regular	84.027	H027A170100	IDEA-1700-17	2,606,543	7/1/16-6/30/17	(1,981,609)	\$ 17,716	415,974	(415,974)	1,981,348			\$ 261						\$ 17,716	
I.D.E.A. Part B, Preschool	84.173	H173A180114	IDEA-1700-18	55,391	7/1/17-6/30/18			(10,189)	10,189		14,462				\$ (2,229)		(65,580)	48,889		(16,691)
I.D.E.A. Part B, Preschool	84.173	H173A170114	IDEA-1700-17	54,545	7/1/16-6/30/17	(20,817)		16,805	(10,189)	40,398				(19,581)					16,805	
Total IDEA Special Education Cluster						(2,002,426)		34,521		2,021,746	3,004,971			(19,320)			(3,166,329)	159,129	34,521	(3,007,200)
Title III	84.365	S365A180030	ESEA-1700-18	535,750	7/1/17-6/30/18			(518,314)	518,314	419,700	762,548						(634,364)	291,516		(342,848)
Title III	84.365	S365A170030	NCLB-1700-17	585,031	7/1/16-6/30/17	(194,827)		518,314	(518,314)	180,821				14,006						
Title III Immigrant	84.365	S365A180030	ESEA-1700-18	70,106	7/1/17-6/30/18			(83,309)	83,309	7,571	35,770						(145,844)	70,106		(75,738)
Title III Immigrant	84.365	S365A170030	NCLB-1700-17	83,309	7/1/16-6/30/17	(33,582)		83,309	(83,309)	27,420				6,162					154,021	
Total Title III Cluster						(228,409)		154,021		635,512	798,318			20,168			(780,208)	361,622	154,021	(418,586)
Title I	84.010	S010A180030	ESEA-1700-18	3,837,844	7/1/17-6/30/18			(498,315)	498,315	2,263,882	3,819,385						(2,072,277)	516,774		(1,555,503)
Title I	84.010	S010A170030	NCLB-1700-17	3,813,777	7/1/16-6/30/17	(1,052,800)		498,315	(498,315)	1,061,838				(9,098)						
Title II Part A	84.367A	S367A160029	ESEA-1700-18	490,826	7/1/17-6/30/18			(295,949)	295,949	336,326	599,336						(450,449)	187,439		(263,010)
Title II Part A	84.367A	S367A150029	NCLB-1700-17	615,761	7/1/16-6/30/17	(249,091)		295,949	(295,949)	247,253				1,838						
Temporary Emergency Impact Aid	84.938C	S938C18005	not available	810,750	7/1/17-6/30/18						810,750						(810,750)			(810,750)
Adult Education Basic Skills	84.002	not available	not available	500,000	7/1/17-6/30/18					126,247	450,011						(373,753)	49,989		(323,764)
Adult Education Basic Skills	84.002	not available	not available	417,571	7/1/16-6/30/17	(95,929)				106,250				(10,321)						
Total Special Revenue Fund						(3,628,655)		188,542		6,799,034	9,482,771			(16,673)			(7,653,766)	1,274,953	188,542	(6,378,813)
U.S. Department of Health and Human Services																				
Passed-through State Department of Education																				
General Fund																				
Medical Assistance Program	93.778	1705NJ5MAP	N/A	349,206	7/1/17-6/30/18					349,206	349,206									
Total General Fund										349,206	349,206									
Total Federal Awards						\$ (4,179,449)	\$ -	\$ 188,542	\$ -	\$ -	\$ 13,866,798	\$ 16,641,326	\$ -	\$ (16,673)	\$ (49,768)	\$ -	\$ (8,296,092)	\$ 1,275,674	\$ 188,542	\$ (7,021,139)

The Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an Integral Part of this Schedule

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period	Balance, at June 30, 2017	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	General Fund Contribution	Repayment of Prior Years' Balances	Balance at June 30, 2018			MEMO	
										(Accounts Receivable)	Unearned Revenue	Due to Grantor at	GAAP Receivable	Cum. Total Expenditures
State Department of Education														
General Fund														
Equalization Aid	18-495-034-5120-078	\$ 137,398,670	7/1/17-6/30/18			\$ 123,753,756	\$ 137,398,670			\$ (13,644,914)			*	\$ 137,398,670
Equalization Aid	17-495-034-5120-078	136,453,716	7/1/16-6/30/17	\$ (13,532,812)		13,532,812							*	
Educational Adequacy Aid	18-495-034-5120-083	11,689,337	7/1/17-6/30/18			10,528,481	11,689,337			(1,160,856)			*	11,689,337
Educational Adequacy Aid	17-495-034-5120-083	11,689,337	7/1/16-6/30/17	(1,159,291)		1,159,291							*	
Special Education Aid	18-495-034-5120-089	5,988,488	7/1/17-6/30/18			5,393,778	5,988,488			(594,710)			*	5,988,488
Special Education Aid	17-495-034-5120-089	5,988,488	7/1/16-6/30/17	(593,909)		593,909							*	
Security Aid	18-495-034-5120-084	4,265,067	7/1/17-6/30/18			3,841,508	4,265,067			(423,559)			*	4,265,067
Security Aid	17-495-034-5120-084	4,265,067	7/1/16-6/30/17	(422,988)		422,988							*	
PARCC Readiness Aid	18-495-034-5120-098	99,740	7/1/17-6/30/18			89,835	99,740			(9,905)			*	99,740
PARCC Readiness Aid	17-495-034-5120-098	99,740	7/1/16-6/30/17	(9,892)		9,892							*	
Per Pupil Growth Aid	18-495-034-5120-097	99,740	7/1/17-6/30/18			89,835	99,740			(9,905)			*	99,740
Per Pupil Growth Aid	17-495-034-5120-097	99,740	7/1/16-6/30/17	(9,892)		9,892							*	
Prof Learning Comm Aid	18-495-034-5120-101	101,300	7/1/17-6/30/18			91,240	101,300			(10,060)			*	101,300
Prof Learning Comm Aid	17-495-034-5120-101	101,300	7/1/16-6/30/17	(10,047)		10,047							*	
Adult Education Program Aid	18-100-034-5120-510	13,918	7/1/17-6/30/18			12,536	13,918			(1,382)			*	13,918
													*	
Total State Aid Public Cluster				(15,738,831)		159,539,800	159,656,260			(15,855,291)			*	159,656,260
													*	
Transportation Aid	18-495-034-5120-014	1,705,200	7/1/17-6/30/18			1,535,858	1,705,200			(169,342)			*	1,705,200
Transportation Aid	17-495-034-5120-014	1,705,200	7/1/16-6/30/17	(169,113)		169,113							*	
Non Public Transportation	18-495-034-5120-014	26,970	7/1/17-6/30/18				26,970			(26,970)			*	\$ 26,970
Total Transportation Cluster				(169,113)		1,704,971	1,732,170			(196,312)			*	26,970
													*	1,732,170
													*	
Extraordinary Aid	18-100-034-5120-044	1,012,010	7/1/17-6/30/18				1,012,010			(1,012,010)			*	1,012,010
Extraordinary Aid	17-100-034-5120-044	740,461	7/1/16-6/30/17	(740,461)		740,461							*	
Lead Testing for Schools Aid	18-495-034-5120-104	13,607	7/1/17-6/30/18			13,607	13,607						*	13,607
TPAF Social Security Tax	18-495-034-5094-003	5,759,860	7/1/17-6/30/18			5,204,226	5,759,860			(555,634)			*	5,759,860
TPAF Social Security Tax	17-495-034-5094-003	5,703,412	7/1/16-6/30/17	(302,198)		302,198							*	
On-Behalf TPAF Contributions:													*	
Pension Benefit Contrib.	18-495-034-5094-002	10,137,249	7/1/17-6/30/18			10,137,249	10,137,249						*	10,137,249
Pension NCGI Premium	18-495-034-5094-004	246,006	7/1/17-6/30/18			246,006	246,006						*	246,006
Long-Term Disability Insurance	18-495-034-5094-001	17,830	7/1/17-6/30/18			17,830	17,830						*	17,830
Post Retirement Med. Contrib.	18-495-034-5094-001	6,706,324	7/1/17-6/30/18			6,706,324	6,706,324						*	6,706,324
Total General Fund				(16,950,603)		184,612,672	185,281,316			(17,619,247)			*	582,604
													*	185,281,316
													*	
Special Revenue Fund														
Chapter 192 Auxiliary Services														
Compensatory Education	18-100-034-5120-067	110,730	7/1/17-6/30/18			110,730	47,148					\$ 63,582	*	47,148
ESL	18-100-034-5120-067	34,327	7/1/17-6/30/18			34,327	34,327						*	34,327
Chapter 192 Cluster Total						145,057	81,475					63,582	*	81,475
													*	
Chapter 193 Handicapped Services														
Transportation	18-100-034-5120-068	12,974	7/1/17-6/30/18			12,974	12,974						*	12,974
Transportation	17-100-034-5120-068	13,365	7/1/16-6/30/17	7,948				\$ 7,948					*	
Examination and Classification	18-100-034-5120-066	26,749	7/1/17-6/30/18			26,749	17,838					8,911	*	17,838
Examination and Classification	17-100-034-5120-066	25,396	7/1/16-6/30/17	17,087				17,087					*	
Corrective Speech	18-100-034-5120-066	10,714	7/1/17-6/30/18			10,714	10,714						*	10,714
Supplemental Instruction	18-100-034-5120-066	15,066	7/1/17-6/30/18			15,066	15,066						*	15,066
Supplemental Instruction	17-100-034-5120-066	16,479	7/1/16-6/30/17	12,414				12,414					*	
Chapter 193 Cluster Total				37,449		65,503	56,592		37,449			8,911	*	56,592
													*	
Nonpublic Aid														
Nonpublic Textbooks	18-100-034-5120-064	17,585	7/1/17-6/30/18			17,585	17,585						*	17,585
Nonpublic Technology	18-100-034-5120-373	11,877	7/1/17-6/30/18			11,877	11,877						*	11,877
Nonpublic Nursing	18-100-034-5120-070	31,137	7/1/17-6/30/18			31,137	31,137						*	31,137
Nonpublic Security	18-100-034-5120-373	24,075	7/1/17-6/30/18			24,075	24,075						*	24,075
Preschool Education Aid	18-495-034-5120-086	20,314,440	7/1/17-6/30/18		\$ 5,305,061	18,282,996	23,059,802	\$ 765,273		(2,031,444)	\$ 3,324,972		*	23,059,802
Preschool Education Aid	17-495-034-5120-086	20,384,010	7/1/16-6/30/17	5,305,061	(5,305,061)								*	
Total Special Revenue Fund				5,342,510		18,578,230	23,282,543	765,273	37,449	(2,031,444)	3,324,972	72,493	*	23,282,543

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

PERTH AMBOY PUBLIC SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period	Balance, at June 30, 2017	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	General Fund Contribution	Repayment of Prior Years' Balances	Balance at June 30, 2018			MEMO		
										(Accounts Receivable)	Uncearned Revenue	Due to Grantor at	GAAP Receivable	Cum. Total Expenditures	
State Department of Education (Continued)															
Debt Service Fund															
Debt Service Aid - Type II	18-495-034-5120-017	\$ 1,951,090	7/1/17-6/30/18	-	-	\$ 1,951,090	\$ 1,951,090	-	-	-	-	-	-	-	\$ 1,951,090
Total Debt Service Fund				-	-	1,951,090	1,951,090	-	-	-	-	-	-	-	1,951,090
NJ School Development Authority															
Capital Projects Fund															
School Construction Grants (On-Behalf)	4090-XXX-XX-XXXX	105,128,580	Not Applicable	-	-	9,945,698	9,945,698	-	-	-	-	-	-	-	105,128,580
State Department of Agriculture															
Enterprise Fund															
School Lunch Program	18-100-010-3350-023	74,569	7/1/17-6/30/18			67,054	74,569			\$ (7,515)				\$ (7,515)	\$ 74,569
School Lunch Program	17-100-010-3350-023	71,410	7/1/16-6/30/17	\$ (6,392)	-	6,392	-	-	-	-	-	-	-	-	-
Total Enterprise Fund				(6,392)	-	73,446	74,569	-	-	(7,515)	-	-	-	(7,515)	74,569
Total State Financial Assistance Subject to Single Audit Determination				(11,614,485)	-	215,161,136	220,535,216	\$ 765,273	\$ 37,449	(19,658,206)	\$ 3,324,972	\$ 72,493		575,089	315,718,098
State Financial Assistance Not Subject to Single Audit Determination															
General Fund															
Pension Benefit Contrib.	18-495-034-5094-002	10,137,249	7/1/17-6/30/18			(10,137,249)	(10,137,249)								(10,137,249)
Pension NCGI Premium	18-495-034-5094-004	246,006	7/1/17-6/30/18			(246,006)	(246,006)								(246,006)
Long-Term Disability Insurance	18-495-034-5094-001	17,830	7/1/17-6/30/18			(17,830)	(17,830)								(17,830)
Post Retirement Med. Contrib.	18-495-034-5094-001	6,706,324	7/1/17-6/30/18			(6,706,324)	(6,706,324)								(6,706,324)
Capital Projects															
On-Behalf SDA Payments	1700		7/1/17-6/30/18	-	-	(9,945,698)	(9,945,698)	-	-	-	-	-	-	-	(9,945,698)
Total State Financial Assistance Utilized for Calculations to Determine Major Programs				\$ (11,614,485)	\$ -	\$ 188,108,029	\$ 193,482,109	\$ 765,273	\$ 37,449	\$ (19,658,206)	\$ 3,324,972	\$ 72,493		\$ 575,089	\$ 288,664,991

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**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 Perth Amboy Public School District. 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 a decrease of \$1,128,699 for the general fund and an increase of \$1,832,480 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	\$ 349,206	\$ 184,152,617	\$ 184,501,823
Special Revenue Fund	9,423,874	24,408,647	33,832,521
Capital Projects Fund		9,945,698	9,945,698
Debt Service Fund		1,951,090	1,951,090
Food Service Fund	<u>6,809,349</u>	<u>74,569</u>	<u>6,883,918</u>
Total Awards and Financial Assistance	<u>\$ 16,582,429</u>	<u>\$ 220,532,621</u>	<u>\$ 237,115,050</u>

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
 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 \$5,759,860 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 \$10,383,255 , TPAF Post-Retirement Medical Benefits Contributions in the amount of \$6,706,324 and TPAF Long-Term Disability Insurance in the amount of \$17,830 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 \$9,945,698 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>	\$1,390,202
IDEA Basic: <i>Special Education</i>	<u>367,182</u>
Total	<u>\$1,757,384</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.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Part I – Summary of Auditor's Results

Financial Statements

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

 1) Material weaknesses identified? X yes no

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

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

Federal Awards Section

Internal Control over major programs:

 (1) Material weaknesses identified? yes X no

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

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section .516(a) of U.S. Uniform Guidance? X yes no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>FAIN</u>	<u>Name of Federal Program or Cluster</u>
10.555	181NJ304N1099	National School Lunch Program
10.553	181NJ304N1099	National School Breakfast Program
10.555	181NJ304N1099	After School Snack Program
84.027	H027A180100	IDEA Part B, Basic
84.173	H173A180114	IDEA Part B, Preschool
84.365	S365A180030	Title III
84.010	S010A180030	Title I
84.938C	S938C18005	Temporary Emergency Impact Aid

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes X no

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 basic financial statements that are required to be reported in accordance with paragraphs 5.18 of *Government Auditing Standards*.

Finding 2018-001

Our audit revealed numerous instances where documentation to support District expenditures were not able to be located and made available for audit.

Criteria or specific requirement

Internal Controls Over Financial Reporting

Condition

Documentation to support numerous claims paid by the District was not always able to be located and provided for audit.

Context

Thirty (30) instances were noted where the District was only able to locate and provide a voucher and vendor invoice for the payment of a claim. No formal approved purchase order was able to be located.

Thirty-Eight (38) instances were noted where no supporting documentation was able to be located to support the payment of a claim.

Eighteen (18) purchase orders related to the Food Service Enterprise Fund could not be located and provided for audit.

Effect

Numerous claims paid were not able to be audited with respect to signatures, certification or supporting documentation.

Cause

Inconsistent and inadequate filing system.

Recommendation

In all instances, vouchers/invoices supporting District expenditures be retained and be made available for audit.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 basic financial statements that are required to be reported in accordance with paragraphs 5.18 of *Government Auditing Standards*.

Finding 2018-002

Our audit of the outstanding purchase order report revealed numerous balances which were either invalid or were misclassified as a reserved for encumbrance rather than accounts payable.

Criteria or specific requirement

Internal controls over year end closing procedures of open orders.

Condition

Certain encumbrances were determined to not have been classified properly. In addition, certain encumbrances and accounts payable were overstated and deemed invalid at year end.

Context

\$3,848,794 of purchase order balances classified as reserved for encumbrances were overstated and deemed to be invalid.

\$3,028,312 of purchase order balances classified as accounts payable were overstated and deemed to be invalid.

\$4,199,657 of purchase order balances classified as reserved for encumbrances were misclassified and should have been reported as an accounts payable.

Effect

Financial statements do not properly reflect liabilities, expenditures and fund balance at year end. Audit adjustments were made to properly report balances in the CAFR.

Cause

Unknown.

Recommendation

The outstanding purchase order report be periodically reviewed for proper classification of balances and validity of obligations. Furthermore reclassifications and/or cancellations be made accordingly.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 basic financial statements that are required to be reported in accordance with paragraphs 5.18 of *Government Auditing Standards*.

Finding 2018-003

Our audit revealed that numerous manual journal entries were made to the general ledger cash accounts throughout the year to adjust the Board Secretary's cash balances to agree to the Treasurer of School Monies report.

Criteria or specific requirement

Generally Accepted Accounting Principles

Condition

The cash balances on the monthly reports of the Board Secretary were not properly adjusted to agree with balances reported by the Treasurer of School Monies.

Context

The Board Secretary's cash balances were adjusted via manual journal entries for the following amounts:

General Fund	\$12,677,545
Blended Resource Fund	180,595
Special Revenue Fund	1,648,881

Effect

Financial records do not accurately reflect underlying District transactions.

Cause

Unknown.

Recommendation

The monthly report of the Board Secretary be properly adjusted and reconciled with the report of the Treasurer of School Monies. Furthermore, the practice of entering manual journal entries to the general ledger cash account be discontinued.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 basic financial statements that are required to be reported in accordance with paragraphs 5.18 of *Government Auditing Standards*.

Finding 2018-004

Our audit indicated numerous budgetary line items in both the General Fund and Blended Resource Fund which were overexpended.

Criteria or specific requirement

Generally Accepted Accounting Principles

Condition

See Finding 2018-004.

Context

Five (5) budgetary line items were overexpended in a total amount of \$467,443.

Effect

The District incurred expenditures in individual budgetary line items without sufficient appropriations.

Cause

Appropriation line item transfers were not made to provide sufficient funds in the respective line items.

Recommendation

Expenditures be made only upon sufficient funds being made available in the respective budgetary line item accounts.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 basic financial statements that are required to be reported in accordance with paragraphs 5.18 of *Government Auditing Standards*.

Finding 2018-005

Our audit of purchases and contract awards in excess of the bid threshold revealed the following as it relates to compliance with the Public School Contracts Law and State procurement guidelines:

- Our audit indicated that payments were made to a vendor for substitute personnel services in the amount of \$2,924,077. The District was unable to provide evidence of the method of procurement for such services.
- Our audit indicated that contracts for architectural services were not approved in the official District minutes for each individual project. The District's architect was approved as the architect of record, however, such approval was not advertised upon award.
- Our audit indicated that bids were awarded for HVAC maintenance, inspection and repairs – annual maintenance and for landscaping, snow removal and other services. However, certain auxiliary services were included on the vendor invoices which were not included in the scope of the respective bid specifications.
- Our audit indicated several vendors were paid based on the utilization of state contracts, cooperative purchasing agreements and extraordinary unspecifiable services which were not approved by the Board and included in the official minutes. Furthermore, the applicable state contract and cooperative purchasing agreements were not able to be provided in order to determine the validity of the contracts.
- Our audit indicated that bids were awarded for fire alarms, P.A. system, electrical services and repairs, construction services, painting services and fire code compliance based on time and material rates, however, payments were made based on vendor invoices with lump sum amounts.
- Our audit indicated payments made to a vendor for landscaping services exceeded the amount of the contract award. In addition, another vendor was overpaid resulting from the duplicate payment of an invoice.

Criteria or specific requirement

Public School Contracts Law

Condition

See Finding 2018-005.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 basic financial statements that are required to be reported in accordance with paragraphs 5.18 of *Government Auditing Standards*.

Finding 2018-005 (Continued)

Context

The District made payments totaling \$2,924,077 for substitute personnel services. The District was unable to provide evidence of the method of procurement for such services.

The District paid \$908,345 for architectural services pertaining to various projects. Vendor utilized for such services was approved as the District's architect of record, however, individual contract awards for specific services were not approved by the Board in the minutes. Furthermore, the contract for architect of record was not publicly advertised upon award.

The District awarded a bid to Trane U.S. Inc. for HVAC maintenance, inspection and repairs – annual maintenance. Payments totaled \$358,154. Certain invoices submitted by the vendor included charges for services which were outside of the scope of the services awarded through bid. The District paid approximately \$98,000 for such additional services.

The District awarded a bid to Leonardo Construction Inc. for landscaping and snow removal. Payments totaled \$148,364. Certain invoices submitted by the vendor included charges for services which were outside of the scope of the services awarded through bid. The District paid approximately \$70,000 for such additional services.

Seven (7) vendors were noted, which were paid a total of \$2,908,495, for which the District utilized state contracts, cooperative pricing agreements and extraordinary unspecifiable services. Such contracts were not approved by the Board in the official minutes. Furthermore, documentation to support the specific state contract and/or cooperative purchasing contract utilized was not maintained by the District.

Payments made to the following vendors were bid on a time and material basis:

Open System Integrators (Fire Alarms and P.A. System services)	\$542,276
M&P Electrical Contractors, Inc. (Electrical Service and Repairs)	235,463
Triform Construction (Construction Services)	188,546
JG Painting & Contracting, LLC (Painting Services)	131,025
C&M Door Controls (Fire Code Compliance)	78,396

Invoices submitted by the vendors for these services were for lump sum amounts and were not itemized as to time and material rates as stated in the bid.

Effect

District contract awards and payments of claims were not always in compliance with Public School Contracts Law.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 basic financial statements that are required to be reported in accordance with paragraphs 5.18 of *Government Auditing Standards*.

Finding 2018-005 (Continued)

Cause

Unknown.

Recommendation

- Internal control procedures over purchasing be reviewed and revised to ensure all contract awards and purchases which exceed the bid threshold are made in accordance with the requirements of the Public School Contracts Law.
- Documentation be maintained on file and made available for audit to support the District's awards pursuant to state contract, cooperative purchasing agreements and extraordinary unspecifiable services.
- Invoices be detailed as to time and material utilized as awarded for fire alarms and PA system, electrical services, construction services, painting services and fire code compliance.
- The District seek reimbursement of overpayments made to vendors for construction services and landscaping contracts.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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 Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

CURRENT YEAR FEDERAL AWARDS

Finding 2018-006:

Our audit of employee salaries charged to the Title I and Title III grant programs indicated the following:

- Salaries charged to the grant programs were not approved by the Board in the official minutes as federally funded employees.
- The semi-annual certifications for federally funded employee salaries did not reflect the funding percentage of the respective employee's salary to be allocated to the grant program.

Federal Program Information:

Title I	84.010A
Title III	84.365

Criteria or Specific Requirement

Federal Grant Compliance Supplement – Employee Time and Effort

Condition:

See Finding 218-006.

Questioned Costs:

Undeterminable.

Context:

Individuals charged to Title I and Title III were not approved in the official minutes by grant title and salary amount allocated. The semi-annual certification did not reflect the funding allocation of the employee salaries.

Effect:

Personnel charged to Federal grants may not be allowable grant charges.

Cause:

Unknown.

Recommendation:

Employee salaries charged to the Title I and Title III grant programs be approved by the Board in the official minutes. Furthermore, the allocation percentage of individual employee salaries be included in the required semi-annual certification.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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 Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

CURRENT YEAR STATE AWARDS

Finding 2018-007

Our audit indicated numerous budgetary line items in both the General Fund and Blended Resource Fund which were overexpended.

State Program Information

Equalization Aid	495-034-5120-078	PARCC Readiness Aid	495-034-5120-098
Education Adequacy Aid	495-034-5120-083	Per Pupil Growth Aid	495-034-5120-097
Special Education Aid	495-034-5120-089	Professional Learning Aid	495-034-5120-101
Security Aid	495-034-5120-084	Adult Education Aid	100-034-5120-510

Criteria or specific requirement

State Grant Compliance Supplement – State Aid Public – Special Tests and Provisions

Condition

See Finding 2018-007.

Questioned Costs

Unknown.

Context

Five (5) budgetary line items were overexpended in a total amount of \$467,443.

Effect

The District incurred expenditures in individual budgetary line items without sufficient appropriations.

Cause

Appropriation line item transfers were not made to provide sufficient funds in the respective line items.

Recommendation

Expenditures be made only upon sufficient funds being made available in the respective budgetary line item accounts.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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 Uniform Guidance and New Jersey OMB’s Circular 15-08, as amended.

CURRENT YEAR STATE AWARDS

Finding 2018-008

With respect to travel and expense reimbursements, our audit noted the following:

- The District did not set a maximum travel expenditure amount as required by Board policy.
- Expenditures for employee travel reimbursements were not always supported by the required post travel report, reflecting the purpose and relevance of the employee travel.

State Program Information

Equalization Aid	495-034-5120-078	PARCC Readiness Aid	495-034-5120-098
Education Adequacy Aid	495-034-5120-083	Per Pupil Growth Aid	495-034-5120-097
Special Education Aid	495-034-5120-089	Professional Learning Aid	495-034-5120-101
Security Aid	495-034-5120-084	Adult Education Aid	100-034-5120-510

Criteria or specific requirement

State Grant Compliance Supplement – State Aid Public – Special Tests and Provisions

Condition

See Finding 2018-008.

Questioned Costs

Unknown.

Context

See Finding 2018-008.

Effect

Certain travel expense reimbursements and costs may not be allowable per Board policy and State travel expense guidelines.

Cause

Unknown.

Recommendation

- A maximum travel expenditure amount be approved by Board resolution on an annual basis.
- Reimbursements for employee travel expenses be supported by a post travel purpose and relevance report.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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 Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

CURRENT YEAR STATE AWARDS

Finding 2018-009

Our audit of purchases and contract awards in excess of the bid threshold revealed the following as it relates to compliance with the Public School Contracts Law and State procurement guidelines:

- Our audit indicated that payments were made to a vendor for substitute personnel services in the amount of \$2,924,077. The District was unable to provide evidence of the method of procurement for such services.
- Our audit indicated that contracts for architectural services were not approved in the official District minutes for each individual project. The District's architect was approved as the architect of record, however, such approval was not advertised upon award.
- Our audit indicated that bids were awarded for HVAC maintenance, inspection and repairs – annual maintenance and for landscaping, snow removal and other services. However, certain auxiliary services were included on the vendor invoices which were not included in the scope of the respective bid specifications.
- Our audit indicated several vendors were paid based on the utilization of state contracts, cooperative purchasing agreements and extraordinary unspecifiable services which were not approved by the Board and included in the official minutes. Furthermore, the applicable state contract and cooperative purchasing agreements were not able to be provided in order to determine the validity of the contracts.
- Our audit indicated that bids were awarded for fire alarms, P.A. system, electrical services and repairs, construction services, painting services and fire code compliance based on time and material rates, however, payments were made based on vendor invoices with lump sum amounts.
- Our audit indicated payments made to a vendor for landscaping services exceeded the amount of the contract award. In addition, another vendor was overpaid resulting from the duplicate payment of an invoice.

State Program Information

Equalization Aid	495-034-5120-078	PARCC Readiness Aid	495-034-5120-098
Education Adequacy Aid	495-034-5120-083	Per Pupil Growth Aid	495-034-5120-097
Special Education Aid	495-034-5120-089	Professional Learning Aid	495-034-5120-101
Security Aid	495-034-5120-084	Adult Education Aid	100-034-5120-510

Criteria or specific requirement

State Grant Compliance Supplement – State Aid Public – Special Tests and Provisions

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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 Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

CURRENT YEAR STATE AWARDS

Finding 2018-009 (Continued)

Condition

See Finding 2018-009.

Questioned Costs

Unknown.

Context

See Finding 2018-005.

Effect

District contract awards and payments of claims were not always in compliance with Public School Contracts Law.

Cause

Unknown.

Recommendation

- Internal control procedures over purchasing be reviewed and revised to ensure all contract awards and purchases which exceed the bid threshold are made in accordance with the requirements of the Public School Contracts Law.
- Documentation be maintained on file and made available for audit to support the District's awards pursuant to state contract, cooperative purchasing agreements and extraordinary unspecifiable services.
- Invoices be detailed as to time and material utilized as awarded for fire alarms and PA system, electrical services, construction services, painting services and fire code compliance.
- The District seek reimbursement of overpayments made to vendors for construction services and landscaping contracts.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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 Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

CURRENT YEAR STATE AWARDS

Finding 2018-010

Our audit indicated that the detailed workpapers provided by the District did not support student counts reported on the ASSA or the individual class registers.

State Program Information

Equalization Aid	495-034-5120-078	PARCC Readiness Aid	495-034-5120-098
Education Adequacy Aid	495-034-5120-083	Per Pupil Growth Aid	495-034-5120-097
Special Education Aid	495-034-5120-089	Professional Learning Aid	495-034-5120-101
Security Aid	495-034-5120-084	Adult Education Aid	100-034-5120-510

Criteria or specific requirement

State Grant Compliance Supplement – State Aid Public – Eligibility

Condition

See Finding 2018-010.

Questioned Costs

Unknown.

Context

The District reported 10,675 full time students and 42 shared time students as on roll on the ASSA. The supporting workpapers reflected 10,610 full time students and 38 shared time students.

When comparing individual grades/classes sampled from the supporting workpapers, the District's class registers reflected a variance of 1,257 students.

The District reported 8,479 students as low income on the ASSA. The supporting workpapers reflected total low income students of 8,299.

78 variances were noted in the classification of LEP students as either low income or not low income.

Effect

Noncompliance with the State Aid Public Compliance Requirements.

Cause

Unknown.

Recommendation

Internal controls over the filing of the District's ASSA be reviewed and enhanced to ensure documentation to support student counts is retained and available for audit.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that corrective action will be taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

Finding 2017-001

Condition:

The school district does not have a detailed accounting of the capital assets and the related depreciation schedules.

Current Status

Corrective action has been taken.

Finding 2017-002

Condition:

The prior period adjusting entries of the District have not been posted to the general ledger accounting system.

Current Status

Corrective action has been taken.

Finding 2017-003

Condition:

The Treasurer's report is missing \$4,261,188.34 in outstanding checks that have been posted to the general ledger accounting system at June 30, 2017.

Current Status:

Corrective action has been taken.

Finding 2017-004

Condition:

Multiple adjusting entries have been recommended to the school district in order to bring balances to known amounts.

Current Status:

See Finding 2018-003.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS (Continued)

Finding 2017-005

Condition:

The decentralized food service operations of the school district lack sufficient management oversight of financial operations and processes.

Current Status

Corrective action has been taken.

Finding 2017-006

Condition:

The June 30, 2017 bank reconciliation is missing 2 outstanding checks, totaling \$842.40. These checks result in the bank reconciliation not reconciling to the general ledger system.

Current Status

Corrective action has been taken.

Finding 2017-007

Condition:

The food service fund general ledger is being maintained on a cash basis of accounting. No accruals have been made to bring the asset and liability balances to reflect current year activity.

Current Status

Corrective action has been taken.

Finding 2017-008

Condition:

The food service fund capital asset listing has not been maintained by the District. No current year additions, deletions or depreciation balances have been identified.

Current Status

Corrective action has been taken.

PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS (Continued)

Finding 2017-009

Condition:

Meals are being provided to students and recorded as a lunch or breakfast provided in the school district records, regardless of the payment received, if any payment, per District policy. The amounts that are determined to be uncollectable continue to accrue in the District records and a reasonable account receivable balance cannot be determined.

Current Status

Corrective action has been taken.

Finding 2017-010

Condition:

Cash register software systems are not updated with the most up-to-date inventory selections. Cashiers will manually input items that add up to be close enough to the price of items not in the computer systems software inventory.

Current Status

Corrective action has been taken.

Finding 2017-011

Condition:

The decentralized student activity operations of the school district lack sufficient management oversight of financial operations and processes.

Current Status

See General Comment - Auditor's Management Report.

PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS (Continued)

Finding 2017-012

Condition:

The student activity fund is not being maintained using a general ledger accounting system. Each school is currently maintaining individual records without a centralized recording of activity.

Current Status

See General Comment - Auditor's Management Report.

Finding 2017-013

Condition:

The student activity fund receipts lack the proper support to re-perform the District's transaction. Without the proper documentation, the auditor is not able to determine that all monies collected have been deposited into the food service bank account.

Current Status

See General Comment - Auditor's Management Report.

Finding 2017-014

Condition:

The Treasurer's Report, Page 1 does not tie to Page 2. Page 1 does not have the correct information presented, Page 2 has the information matching the bank reconciliation, but includes the incorrect cash balance, too high by the \$842,40 in outstanding checks that have not been included on the bank reconciliation.

Current Status

Corrective action has been taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS (Continued)

Finding 2017-015

Condition:

The Treasurer is not performing an independent reconciliation of the Food Service Fund bank account. The Treasurer's Report support only has the District's bank reconciliation initialed by the Treasurer.

Current Status

See Finding 2018-003.

Finding 2017-016

Condition:

The food service fund inventory listing for June 30, 2017 has not been performed by the District. The District does not have a policy or procedure in place to correctly inventory required items..

Current Status

Corrective action has been taken.

Finding 2017-017

Condition:

The food service fund receipts for miscellaneous, vending and special function revenue lack the proper support to re-perform the District's transaction. Without the proper documentation, the auditor is not able to determine that all monies collected have been deposited into the food service bank account.

Current Status

Corrective action has been taken.

**PERTH AMBOY PUBLIC SCHOOL DISTRICT
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 Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS (Continued)

Finding 2017-018

Condition:

Change funds, referred to "Petty Cash" by the school district, were deposited on June 30 2017. The amount deposited does not represent the correct balance. It was also determined that change funds were not returned in the prior year.

Current Status

Corrective action has been taken.

Finding 2017-019

Condition:

The Fresh Fruit and Vegetable Program is being recorded in the Special Revenue Fund (Fund 20) by the school district. This program should be recorded in the food service fund general ledger and accounting records.

Current Status

See General Comment - Auditor's Management Report.

Finding 2017-020

Condition:

When reconciling cash drawers, cashiers can see the total that the register software system has calculated the drawer to have. The cashiers will then ensure that balance is deposited for that day. It is suspected that any differences occurring in the day-to-day counts are being absorbed by the change fund amounts.

Current Status

Corrective action has been taken.